

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 199
PROPOSED COMMITTEE SUBSTITUTE H199-PCS10520-SAf-15

Short Title: Nonconsensual Booting and Towing Reform.

(Public)

Sponsors:

Referred to:

February 26, 2025

A BILL TO BE ENTITLED
AN ACT REFORMING THE LAWS RELATED TO NONCONSENSUAL BOOTING AND
TOWING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Chapter 20 of the General Statutes is amended by adding a new
Article to read:

"Article 7C.

"Nonconsensual Booting and Towing.

"§ 20-219.31. Definitions.

The following definitions apply in this Article:

- (1) Reserved for future codification purposes.
- (2) Reserved for future codification purposes.
- (3) Boot. – To attach any device or instrument to a motor vehicle, without the prior consent or authorization of the owner or operator of the motor vehicle, for the purpose of preventing that motor vehicle from exiting a parking lot or area on private property.
- (4) Reserved for future codification purposes.
- (5) Reserved for future codification purposes.
- (6) Commission. – The Towing and Recovery Commission.
- (7) Reserved for future codification purposes.
- (8) Reserved for future codification purposes.
- (9) Reserved for future codification purposes.
- (10) Nonconsensual tow. – Towing without the prior consent or authorization of the owner or operator of the motor vehicle being towed.
- (11) Nonconsensual towing business. – Any person or entity that engages in the booting or towing of improperly parked motor vehicles from private property without the consent of the owner or operator of the motor vehicle.
- (12) Private property. – Any parcel or space of private real property.
- (13) Reserved for future codification purposes.
- (14) Reserved for future codification purposes.
- (15) Tow. – To use any motor vehicle to pull, load and carry, or otherwise to transport another motor vehicle over a public highway or road, except that transportation by a motor vehicle with a capacity of three or more vehicles shall not be included in the definition of tow, no matter how many vehicles that vehicle is transporting at any given time.

"§ 20-219.35. Limitation of Article.



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This Article does not apply to the towing of a vehicle pursuant to the direction of a law enforcement officer or to any other towing subject to the provisions of Article 7A of this Chapter.

"§ 20-219.40. Towing and Recovery Commission.

(a) Commission Established. – There is established the Towing and Recovery Commission within the Department of Public Safety.

(b) Responsibilities. – The Commission shall have the following responsibilities:

(1) To issue permits to nonconsensual towing businesses in accordance with G.S. 20-219.50.

(2) To annually establish the maximum fees that a nonconsensual towing business may charge for booting, towing, storage, and the handling of commercial cargo. In establishing these fees, the Commission shall have the authority to do the following:

a. The Commission may, in its discretion, create different maximum fees for towing based on the type of vehicle towed.

b. The Commission shall consider regional variations in the cost of a nonconsensual towing business.

c. The Commission may, in its discretion, divide the State into different regions based on the cost of a nonconsensual towing business.

d. The Commission may, in its discretion, establish different maximum fees for the different regions of the State.

(3) To create a standardized form for use by nonconsensual towing businesses to itemize charges billed for booting, towing, storage, and the handling of personal property or commercial cargo.

(4) To maintain a nonconsensual towing business database in accordance with G.S. 20-219.55.

(5) To record reports from the public of suspected noncompliance with this Article and any resolutions of those complaints in accordance with G.S. 20-219.55.

(6) To otherwise administer the provisions of this Article.

(c) Annual Report. – Beginning with the 2027 calendar year, the Commission shall, by February 15 of each year, prepare and submit an annual report to the chairs of the Joint Legislative Oversight Committee on Justice and Public Safety containing the following information:

(1) Reports from the public of suspected noncompliance with this Article.

(2) Any resolutions of reported noncompliance with this Article, including the total number of permits revoked or not renewed in the preceding calendar year based on noncompliance.

(3) The implementation of the nonconsensual towing business database.

(4) The number of permits issued pursuant to G.S. 20-219.50 in the preceding calendar year and the total number of active permits overall.

"§ 20-219.45. Commission membership and meetings.

(a) Membership. – The Commission shall consist of 11 members who shall be appointed as follows:

(1) The Secretary of the Department of Public Safety or the Secretary's designee.

(2) Four members by the General Assembly, upon the recommendation of the Speaker of the House of Representatives:

a. One member of the Towing and Recovery Professionals Association of North Carolina.

b. One member of the North Carolina Trucking Association.

c. One representative of local law enforcement.

- 1 d. One representative of the Carolina Independent Automobile Dealers
2 Association.
- 3 (3) Four members by the General Assembly, upon the recommendation of the
4 President Pro Tempore of the Senate:
- 5 a. One member of the Towing and Recovery Professionals Association
6 of North Carolina.
- 7 b. One member of the North Carolina Trucking Association.
8 c. One representative of local law enforcement.
9 d. One representative of the National Automobile Dealers Association.
- 10 (4) Two members appointed by the Governor:
- 11 a. One member of a consumer advocacy organization.
12 b. One member of the North Carolina Bar Association.
- 13 (b) Terms of Office. – Appointments to the Commission shall be for three-year terms,
14 commencing January 1, 2026, except as follows:
- 15 (1) The following Commission members whose terms begin on January 1, 2026,
16 shall serve an initial term of one year:
- 17 a. The member of the Towing and Recovery Professionals Association
18 of North Carolina recommended by the Speaker of the House of
19 Representatives.
- 20 b. The member of the North Carolina Trucking Association
21 recommended by the President Pro Tempore of the Senate.
- 22 c. The member of a consumer advocacy organization appointed by the
23 Governor.
- 24 (2) The following Commission members whose terms begin on January 1, 2026,
25 shall serve an initial term of two years:
- 26 a. The member of the North Carolina Trucking Association
27 recommended by the Speaker of the House of Representatives.
- 28 b. The representative of local law enforcement recommended by the
29 President Pro Tempore of the Senate.
- 30 c. The member of the North Carolina Bar Association appointed by the
31 Governor.
- 32 At the expiration of these initial terms, appointments shall be for three years and shall be
33 made by the appointing authorities designated in subsection (a) of this section.
- 34 (c) Chair; Meetings. – The Secretary of the Department of Public Safety or the Secretary's
35 designee shall serve as chair. The Commission members shall elect a vice-chair from the
36 membership of the Commission at its first meeting. The chair shall call the first meeting of the
37 Commission no later than April 1, 2026. The Commission shall meet at least twice annually at
38 times and places deemed necessary by the chair or, in the absence of the chair, by the vice-chair.
- 39 (d) Compensation. – Commission members shall not receive compensation but are
40 entitled to be paid necessary subsistence and travel expenses in accordance with G.S. 138-5 and
41 G.S. 138-6 as applicable.
- 42 (e) Vacancies. – If a vacancy occurs in the membership of the Commission, the
43 appointing authority shall appoint another person meeting the same qualifications to serve for the
44 balance of the unexpired term.
- 45 **"§ 20-219.50. Permits.**
- 46 (a) Every nonconsensual towing business shall obtain a permit from the Commission
47 before operating in the State and shall renew the permit annually.
- 48 (b) The Commission shall collect a nonrefundable fee for a permit application or renewal
49 of a permit. The fee shall not exceed the total direct and indirect costs of administering the
50 permitting system and the database required by G.S. 20-219.55.

(c) The Commission shall prescribe the form of the application for a permit and renewal of a permit. The initial application and renewal application shall require information sufficient to confirm compliance with this Article.

(d) The Commission shall issue or renew a permit if (i) the application is complete and (ii) the applicant demonstrates the willingness and ability to comply with the requirements of this Article and other applicable laws. Appeals from the denial of an initial or renewed permit shall be governed by the provisions of Chapter 150B of the General Statutes.

(e) Engaging in the practice of nonconsensual booting or towing without a valid permit is an unfair trade practice under G.S. 75-1.1.

"§ 20-219.55. Nonconsensual towing business database.

(a) The Commission shall develop and maintain, or contract with a qualified vendor to develop and maintain, a statewide database on its website that does all of the following:

(1) Allows any member of the public to report suspected noncompliance with this Article. The Commission shall provide the Attorney General with these reports.

(2) Allows the owner or operator of a nonconsensually towed motor vehicle to search the database by entering that vehicle's make, model, and license plate number or vehicle identification number and access the information required to be provided to the owner or operator pursuant to subsection (b) of this section with respect to that motor vehicle.

(3) Allows nonconsensual towing businesses to securely log in to the database and input the information required by subsection (c) of this section.

(b) The information contained in the database described in subsection (a) of this section shall be publicly accessible only upon a person entering (i) the make of the vehicle, (ii) the model of the vehicle, and (iii) either the vehicle's license plate number or vehicle identification number. Upon entering the information specified in this subsection, the person shall be shown the location to which the vehicle was towed, the hours of operation of the location to which the vehicle was towed, the phone number of the nonconsensual towing business, and the amount the person must pay to retrieve the vehicle. All other information contained in the database shall be confidential and accessible only upon a proper request pursuant to Chapter 132 of the General Statutes.

(c) A nonconsensual towing business shall, within one hour of completing a nonconsensual towing of a vehicle, input all of the following information into the database created pursuant to this section:

(1) The name of the nonconsensual towing business employee who towed the vehicle, and the nonconsensual towing business's permit number.

(2) The name of the nonconsensual towing business employee or owner who authorized the towing, if different from the person in subdivision (1) of this subsection.

(3) The color, make, model, license plate number, and vehicle identification number of the vehicle towed, and any trailer connected to the vehicle at any point during or after the tow.

(4) The reason for towing the vehicle.

(5) The address of the location from which the vehicle was towed, a certification that the location complied with the signage requirements of G.S. 20-219.60, and the name of the property owner or property owner's designated representative with whom the nonconsensual towing business has a contractual relationship.

(6) The address of the location where a towed vehicle is currently stored.

(7) The fees the nonconsensual towing business will charge the vehicle owner for towing, storage, and personal property handling.

"§ 20-219.60. Required signage for nonconsensual towing.

(a) Private property owners shall ensure that signs are prominently displayed at each designated entrance to a parking lot or area where parking prohibitions apply. The posted signs shall be a minimum of 24 inches by 24 inches and shall legibly display the following information:

(1) The words "Private Property" printed in bold.

(2) A warning that unauthorized vehicles will be booted or towed.

(3) The name, address, telephone number, and hours of operation of the nonconsensual towing business the owner has contracted with to boot or tow unauthorized vehicles.

(4) The booting, towing, storage, and personal property handling fees imposed by the nonconsensual towing business the owner has contracted with to boot or tow unauthorized vehicles.

(5) A notification that nonconsensual towing businesses must accept payment by debit card, credit card, and cash.

(6) A notification that damage caused to any booting or towing equipment as a result of removing or attempting to remove the equipment is punishable pursuant to G.S. 14-160.

(b) A vehicle shall not be booted or nonconsensually towed on private property that does not, at the time of the booting or towing and for at least 24 hours prior, have signs posted in compliance with this section.

(c) A private property owner shall ensure that any sign displaying incorrect information is removed or corrected within 15 days of discovering the information is incorrect.

(d) A violation of this section is punishable as follows:

(1) A private property owner that violates this section shall be guilty of an infraction. A court may order a private property owner to make restitution to the owner or operator of the improperly booted or towed motor vehicle in an amount equal to the fees incurred by the owner or operator for the booting, towing, and storage of the motor vehicle.

(2) A nonconsensual tow truck driver that violates this section shall be guilty of an infraction and subject to a penalty of not more than one hundred dollars (\$100.00). A second violation under this subdivision within 12 months of the first violation shall be punished as an infraction with a penalty of not more than two hundred dollars (\$200.00). A third or subsequent violation under this subdivision within 12 months of the first violation shall be punished as a Class 3 misdemeanor.

(e) This section does not apply to the owners of private residential property that consists of four or fewer residential units.

"§ 20-219.65. Nonconsensual towing and booting practices.

(a) No nonconsensual towing business shall boot, tow, or attempt to boot or tow any vehicle from private property without a written contract with the property owner or the property owner's designee to perform nonconsensual booting or towing on that property.

(b) Any motor vehicle removed from a parking lot or area on private property pursuant to this Article shall not be transported for storage more than 25 miles from the place of removal. This subsection shall not apply if there is no storage area within 25 miles from the place of removal that is suitably sized to store the motor vehicle.

(c) No nonconsensual towing business shall boot, tow, or attempt to boot or tow a vehicle if the nonconsensual towing business employee performing the boot or tow knows or has reason to know that the vehicle is occupied.

(d) A commercial motor vehicle shall not be booted.

(e) A nonconsensual towing business shall not attempt to impede or block an occupied vehicle that has not yet been booted from being removed from a parking lot by its owner or operator.

(f) After booting a vehicle, a nonconsensual towing business shall affix a notice on the driver's side windshield of the car in a manner that will not damage the vehicle. The notice shall be brightly colored, a minimum of 8.5 inches by 11 inches, and legibly state all of the following:

(1) That the vehicle to which the notice is affixed has been booted and that driving the vehicle may damage it.

(2) The name, address, telephone number, and hours of operation of the nonconsensual towing business that booted the vehicle.

(3) Any fees the nonconsensual towing business will charge before releasing the boot from the vehicle.

(g) Booting, towing, or storing a motor vehicle in violation of this section is an unfair and deceptive trade practice under Chapter 75 of the General Statutes.

"§ 20-219.70. Nonconsensual towing fees.

(a) All fees charged by a nonconsensual towing business shall be reasonable and not excessive and shall not exceed the maximums established by the Commission. A nonconsensual towing business shall prepare and distribute bills using the standardized form described in G.S. 20-219.40(b).

(b) A nonconsensual towing business shall not charge a fee for the storage or handling of cargo contained in a trailer or semitrailer. Property subject to this subsection shall be promptly returned to the owner of the property upon request. In cases of a dispute, if the cargo is attached to the trailer and cannot be removed from the trailer, the parties shall execute a trailer swap. The swapped trailer must be of equal or better condition than the original towed trailer and owned, leased, or operated by the same company.

(c) A nonconsensual towing business shall not charge a storage fee for days when the business is not open from at least 9:00 A.M. to 4:00 P.M. Unless a nonconsensual towing business is open for the recovery of a towed vehicle 24 hours per day, a nonconsensual towing business shall not charge a storage fee for a towed vehicle until at least one business day has elapsed since the towed vehicle could first be recovered.

(d) A nonconsensual towing business shall accept payment with a debit card, credit card, and cash at any time during its operating hours, including at the time of booting or towing, and may choose to accept any other form of commercially acceptable payment. Any payment processing fees shall not exceed three percent (3%) of the owed amount.

(e) If a truck tractor, trailer, or semitrailer remains in storage more than 60 days after it is towed, a nonconsensual towing business may sell the truck tractor, trailer, or semitrailer in a nonjudicial auction or private sale pursuant to this subsection. The nonconsensual towing business shall mail written notice to the property owner of the intent to auction or sell the truck tractor, trailer, or semitrailer by registered or certified mail, return receipt requested, addressed to the property owner at the address on the vehicle registration records maintained by the Division. If the property owner does not contact the nonconsensual towing business within 30 days of receipt of the written notice, the nonconsensual towing business may sell the truck tractor, trailer, or semitrailer at auction or private sale. Proceeds from the sale of the property shall go toward paying outstanding towing, recovery, or storage fees and the remainder shall be returned to the property owner. This relief is only available to the nonconsensual towing business from which the tow originated.

(f) Charging a fee in violation of this section is an unfair and deceptive trade practice under Chapter 75 of the General Statutes.

"§ 20-219.75. Authority of Department of Public Safety.

The Department of Public Safety may adopt rules to implement this Article."

SECTION 1.(b) On or before February 15, 2030, and every four years thereafter, the Commission shall submit to the Joint Legislative Oversight Committee on Justice and Public Safety a report recommending either (i) that the Commission continue existing or (ii) that the

Commission should sunset and its responsibilities be absorbed by the Department of Public Safety.

SECTION 1.(c) The Commission shall create the permit process provided for in G.S. 20-219.50 and issue permits under that statute no later than July 1, 2026.

SECTION 1.(d) G.S. 20-219.40 and G.S. 20-219.45, as enacted by subsection (a) of this section, become effective January 1, 2026. G.S. 20-219.50, 20-219.55, 20-219.65, and 20-219.70, as enacted by subsection (a) of this section, become effective July 1, 2026. G.S. 20-219.60, as enacted by subsection (a) of this section, becomes effective July 1, 2026, and applies to offenses committed on or after that date. The remainder of this section is effective when it becomes law.

SECTION 2.(a) G.S. 20-219.20 reads as rewritten:

"§ 20-219.20. Requirement to give notice of vehicle towing.

...

(b) This section shall not ~~apply~~ apply: (i) to vehicles that are towed at the direction of a law enforcement officer or to vehicles removed from a private lot where signs are posted in accordance with ~~G.S. 20-219.2(a)~~ G.S. 20-219.2(a) or (ii) to vehicles that are towed by a nonconsensual towing business lawfully doing business in the State pursuant to Article 7C of this Chapter.

...."

SECTION 2.(b) This section becomes effective July 1, 2026.

SECTION 3. Except as otherwise provided, this act is effective when it becomes law.