

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H

1

HOUSE BILL 1024

Short Title: Nonconsensual Booting and Towing Reform. (Public)

Sponsors: Representatives Budd, Carson Smith, Pyrtle, and Logan (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Judiciary 2, if favorable, Appropriations, if favorable, Finance, if favorable, Rules,
Calendar, and Operations of the House

May 7, 2024

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

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Chapter 20 of the General Statutes is amended by adding a new Article
6 to read:

7 "Article 7C.

8 "Nonconsensual Booting and Towing.

9 "**§ 20-219.31. Definitions.**

10 The following definitions apply in this Article:

- 11 (1) Reserved for future codification purposes.
12 (2) Reserved for future codification purposes.
13 (3) Boot. – To attach any device or instrument to a motor vehicle, without the
14 prior consent or authorization of the owner or operator of the motor vehicle,
15 for the purpose of preventing that motor vehicle from exiting a parking lot or
16 area on private property.
17 (4) Reserved for future codification purposes.
18 (5) Reserved for future codification purposes.
19 (6) Commission. – The Towing and Recovery Commission established pursuant
20 to G.S. 20-219.65.
21 (7) Reserved for future codification purposes.
22 (8) Reserved for future codification purposes.
23 (9) Nonconsensual tow. – Towing without the prior consent or authorization of
24 the owner or operator of the motor vehicle being towed.
25 (10) Nonconsensual towing business. – Any person or entity that engages in the
26 booting or nonconsensual towing of improperly parked motor vehicles from
27 private property.
28 (11) Private property. – Any parcel or space of private real property.
29 (12) Reserved for future codification purposes.
30 (13) Reserved for future codification purposes.
31 (14) Tow. – To use any motor vehicle to pull, load and carry, or otherwise to
32 transport another motor vehicle over a public highway or road, except that
33 transportation by a motor vehicle with a capacity of three or more vehicles



1 shall not be included in the definition of tow, no matter how many vehicles
2 that vehicle is transporting at any given time.

3 **"§ 20-219.35. Limitation of Article.**

4 This Article does not apply to the towing of a vehicle pursuant to the direction of a law
5 enforcement officer or to any other towing subject to the provisions of Article 7A of Chapter 20
6 of the General Statutes.

7 **"§ 20-219.40. Permits.**

8 (a) Every nonconsensual towing business shall obtain a permit from the Division before
9 operating in the State and shall renew the permit annually.

10 (b) The Division shall collect a nonrefundable fee for a permit application or renewal of
11 a permit. The fee shall not exceed the total direct and indirect costs of administering the
12 permitting system and the database required by G.S. 20-219.45.

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

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

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

22 **"§ 20-219.45. Nonconsensual towing business database.**

23 (a) The Division shall develop and maintain, or contract with a qualified vendor to
24 develop and maintain, a statewide database accessible to the public on its website that does all of
25 the following:

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

29 (2) Allows the owner or operator of a booted or nonconsensually towed motor
30 vehicle to search the database by entering that vehicle's license plate number
31 or vehicle identification number and access the information inputted by a
32 nonconsensual towing business pursuant to subsection (b) of this section with
33 respect to that motor vehicle.

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

36 (b) A nonconsensual towing business shall, within six hours of a booting or
37 nonconsensually towing a vehicle, input all of the following information into the database created
38 pursuant to this section:

39 (1) The name of the person who booted or towed the vehicle.

40 (2) The name of the nonconsensual towing business employee or owner who
41 authorized the booting or towing, if different from the driver.

42 (3) The color, make, model, license plate number, and vehicle identification
43 number of the vehicle booted or towed.

44 (4) The reason for booting or towing the vehicle.

45 (5) The address of the location the vehicle was booted at or towed from, a
46 certification that location complied with the signage requirements of
47 G.S. 20-219.50, and whether the nonconsensual towing business has any
48 contractual relationship with the location's owner or the owner's designated
49 representative.

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

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

3 **"§ 20-219.50. Required signage for nonconsensual towing.**

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

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

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

9 (3) The name, address, telephone number, and hours of operation of the
10 nonconsensual towing business the owner will use to boot or tow unauthorized
11 vehicles.

12 (4) The booting, towing, storage, and personal property handling fees imposed by
13 the nonconsensual towing business the owner will use to boot or tow
14 unauthorized vehicles.

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

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

20 (c) A private property owner shall remove or correct any sign displaying incorrect
21 information within 15 days of discovering the information is incorrect.

22 (d) Violation of this section shall constitute an infraction subject to a penalty of not more
23 than one hundred dollars (\$100.00). In addition, a court may order a defendant under this
24 subsection to make restitution to the owner or operator of the improperly booted or towed motor
25 vehicle in an amount equal to the fees incurred by the owner or operator for the booting, towing,
26 and storage of the motor vehicle.

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

29 **"§ 20-219.55. Towing and booting practices.**

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

34 (b) An occupied vehicle shall not be booted.

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

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

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

43 (2) The name and address of the nonconsensual towing business that booted the
44 vehicle.

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

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

49 **"§ 20-219.60. Nonconsensual towing fees.**

50 (a) All fees charged by a nonconsensual towing business shall be reasonable and not
51 excessive and shall not exceed the maximums established by the Commission.

1 **(b) A nonconsensual towing business shall not charge a fee for the storage or handling of**
2 **either (i) personal property that is essential to the activities of daily living or (ii) cargo contained**
3 **in a trailer or semitrailer. Property subject to this subsection shall be promptly returned to the**
4 **owner of the property upon request.**

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

10 **(d) A nonconsensual towing business shall accept payment with a debit card, credit card,**
11 **and cash at any time during its operating hours, including at the time of booting or towing. Any**
12 **payment processing fees shall not exceed three percent (3%) of the owed amount.**

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

15 **"§ 20-219.65. Towing and Recovery Commission.**

16 **(a) Commission Established. – There is established the Towing and Recovery**
17 **Commission. The Commission shall, in accordance with G.S. 20-219.60, annually establish the**
18 **maximum fees a nonconsensual towing business may charge for booting, towing, storage, and**
19 **the handling of personal property.**

20 **(b) Membership. – The Commission shall consist of eight members who shall be**
21 **appointed as follows:**

22 **(1) Three members by the General Assembly, upon the recommendation of the**
23 **Speaker of the House of Representatives:**

24 **a. One representative of the nonconsensual towing business industry.**

25 **b. One member of the North Carolina Trucking Association.**

26 **c. One representative of local law enforcement.**

27 **(2) Three members by the General Assembly, upon the recommendation of the**
28 **President Pro Tempore of the Senate:**

29 **a. One representative of the nonconsensual towing business industry.**

30 **b. One member of the North Carolina Trucking Association.**

31 **c. One representative of local law enforcement.**

32 **(3) Two members appointed by the Governor:**

33 **a. One member of a consumer advocacy organization.**

34 **b. One member of the North Carolina Bar Association.**

35 **(c) Terms of Office. – Appointments to the Commission shall be for two-year terms,**
36 **commencing January 1, 2025.**

37 **(d) Chair; Meetings. – The chair of the Commission shall call the first meeting of the**
38 **Committee. The Committee members shall elect a chair and a vice-chair from the membership**
39 **of the Committee. The Committee shall meet at least twice annually at times and places deemed**
40 **necessary by the chair or, in the absence of the chair, by the vice-chair.**

41 **(e) Compensation. – Commission members shall not receive compensation but are**
42 **entitled to be paid necessary subsistence and travel expenses in accordance with G.S. 138-5 and**
43 **G.S. 138-6 as applicable.**

44 **(f) Vacancies. – If a vacancy occurs in the membership of the Commission, the chair of**
45 **the Commission shall appoint another person meeting the same qualifications to serve for the**
46 **balance of the unexpired term.**

47 **"§ 20-219.70. Authority of Division.**

48 **The Division may adopt rules to implement this Article."**

49 **SECTION 2. G.S. 20-219.20 reads as rewritten:**

50 **"§ 20-219.20. Requirement to give notice of vehicle towing.**

51 ...

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

6"

7 **SECTION 3.(a)** There is appropriated from the Highway Fund to the Department of
8 Transportation, Division of Motor Vehicles, the sum of five hundred thousand dollars (\$500,000)
9 in nonrecurring funds for the 2024-2025 fiscal year to be used to implement the provisions of
10 this act.

11 **SECTION 3.(b)** This section becomes effective July 1, 2024.

12 **SECTION 4.** Except as otherwise provided, this act becomes effective December 1,
13 2024, and applies to activities occurring on or after that date.