

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 1112 (Archuleta)
Version: April 16, 2026
Hearing Date: April 21, 2026
Fiscal: Yes
Urgency: No
ME

SUBJECT

Vehicles: towing companies and storage facilities

DIGEST

This bill increases the amount of civil liability recoverable in a civil action for the violation of Vehicle Code section 22651.07 to up to three times the amount charged instead of two times. The bill also provides that the liability shall not exceed \$1,000 per vehicle instead of \$500.

EXECUTIVE SUMMARY

This vehicle code sets forth requirements that a tow yard, storage facility, or an impounding yard that charges for towing or storage or both, must follow, including posting a notice of towing and storage fees.

This bill increases the amount of civil liability recoverable in a civil action for the violation of Vehicle Code section 22651.07 to up to three times the amount charged instead of two times and provides that the liability shall not exceed \$1,000 per vehicle instead of \$500.

The bill is supported by American Car Rental Association, Consumers for Auto Reliability and Safety, and Enterprise Mobility. Opposition to the bill by the California Tow Truck Association is for provisions that are no longer in the bill. Should the bill pass this Committee, it will then be referred to the Senate Appropriations Committee.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Specifies requirements that a person, as defined, including a tow yard, storage facility, or an impounding yard that charges for towing or storage or both, must

follow including posting a notice of towing and storage fees. (Veh. Code § 22651.07.)

- 2) Provides that a person who violates the above is civilly liable to a registered or legal owner of the vehicle, or a registered owner's insurer, for up to two times the amount charged. Provides that the liability shall not exceed five hundred dollars (\$500) per vehicle. (Veh. Code § 22651.07 (k).)

This bill: increases the amount of civil liability recoverable in a civil action for the violation of the above to up to three times the amount charged and provides that the liability shall not exceed \$1,000 per vehicle.

COMMENTS

1. Stated need for the bill

According to the author:

Bandit towing refers to the act of a towing company taking or holding a vehicle under false pretenses or for excessive fees. This phenomenon has been on the rise, especially in Southern California. A 2025 Department of Insurance Inland Empire Automobile Insurance Fraud Task Force report found that just one fraud ring had conspired to collect over \$200,000 from consumers and rental companies. These bad actors harm everyone: California consumers, tourists, car rental companies, and even the legitimate towing industry itself. Inspired by a recently enacted law out of Florida, SB 1112 attempts to crack down on bandit towing [. . .].

2. Increases penalties for violations of Vehicle Code § 22651.07

This is a consumer protection bill. It would increase civil penalties for any violations of Vehicle Code § 22651.07 to up to three times the amount charged instead of two times. It also provides that the liability shall not exceed \$1,000 per vehicle instead of \$500. Section 22651.07 sets forth requirements that a tow yard, storage facility, or an impounding yard that charges for towing or storage or both, must follow, including posting a notice of towing and storage fees.

SUPPORT

American Car Rental Association
Consumers for Auto Reliability and Safety
Enterprise Mobility

OPPOSITION

California Tow Truck Association

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation: None known.
