

**State Corporation Commission
2025 General Assembly Session
State Fiscal Impact Statement**

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UPDATED

Bill Number: SB1332

Patron: Marsden

Bill Title: Trespass towing fees; State Corporation Commission to establish; report.

Bill Summary: Repeals the authority for localities to establish trespass towing fees, with exceptions, and requires the State Corporation Commission to establish such fees and adjust such fees annually based on the Transportation Consumer Price Index. The bill permits localities to, by ordinance, allow for and establish reasonable limits on storage fees, administration fees, and additional fees for towing vehicles with a gross vehicle weight rating of more than 10,000 pounds. The bill requires the Commission, beginning November 30, 2030, and every five years thereafter, to submit a report to the General Assembly reviewing the process for adjusting towing fees, provided that funds are appropriated for such review.

Budget Amendment Necessary: No

Items Impacted: None

Explanation: Not Applicable

Fiscal Summary: None

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: None

Position Impact: None

Fiscal Analysis: The bill requires the SCC to establish fees by July 1, 2025, and adjust such fees on July 1 of each year using the Transportation Consumer Price Index. The bill also requires the SCC, beginning November 30, 2030, and every five years thereafter to submit a report to the General Assembly (GA) reviewing the process for adjusting towing fees, pursuant to enactment clause 3.

Chapter 245 of the Acts of Assembly 2024 Regular Session directed the SCC to examine fees charged for the removal of motor vehicles, trailer, and parts in violation of § 46.2-1231 of the Code of Virginia ["Code"] and for the removal of trespassing vehicles under § 46.2-1215 of the Code of Virginia and shall identify policy options for the Commission to assume all or part of such regulation. The SCC completed a report (posted on the LIS – Reports to the General Assembly site) that provides data to be considered by the SCC in its initial fee determination.

The SCC can absorb the SCC requirements as stated in this bill for the initial fee determination with existing resources leveraging information in the stated report.

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The bill requires the SCC to establish fees by July 1, 2025. Requirements in the bill, if approved, won't take effect July 1, 2025. The SCC cannot have fees established on the day the bill takes effect. The SCC will need time after July 1, 2025, to conduct a hearing to establish the fees.

Other: None.