Ministry of Transportation

Commercial Safety and Compliance Branch

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Ministère des transports

Direction de la sécurité et de la conformité en matière de transport commercial

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December 30, 2023

Re: Towing and Vehicle Storage Oversight

This memorandum is to provide an update on the implementation of the <u>Towing and Storage Safety and Enforcement Act</u> (TSSEA) and regulation amendments that impact the towing sector.

Oversight of the towing and vehicle storage sector will fully transition to provincial oversight as of January 1, 2024, replacing municipal regimes.

The TSSEA establishes a provincial oversight framework for the towing and vehicle storage sector. The Act requires tow operators, tow truck drivers, and vehicle storage operators to have a provincial certificate to operate.

The Ministry of Transportation (MTO) operationalized the TSSEA by implementing requirements in several phases:

January 1, 2023 (in effect):

 New Highway Traffic Act (HTA) <u>requirements</u> that apply to other commercial motor vehicles and establish vehicle requirements for tow trucks (i.e., daily and annual inspections and use of a safety vest).

• July 1, 2023 (in effect):

 Introduction of three certificate types: Tow Operator, Tow Truck Driver and Vehicle Storage Operator. On July 4, 2023, the <u>online application portal</u> launched and industry can apply for a certificate at no cost (until July 2024).

January 1, 2024:

- Tow operators, vehicle storage operators and tow truck drivers must now comply with the TSSEA customer protection requirements and industry standards.
- New TSSEA requirements related to rates charged for towing and vehicle storage services.
- Tow operators and vehicle storage operators must have a certificate to operate.

 The provincial framework under TSSEA will replace these municipal regimes so operators and tow truck drivers only have to comply with the provincial regime.

January 15, 2024:

- Maximum Rate Schedule portal open to tow and vehicle storage operators, allowing operators to submit their maximum rates to the ministry.
- Complaints portal opens for customers, law enforcement, municipal authorities and stakeholders.

Late March 2024:

 Published maximum rates schedule launch to allow public viewing of an operator's certificate status and their maximum rates for tow and vehicle storage services.

• April 1, 2024:

- All tow trucks must enter truck inspection stations (TISs) for the purposes of commercial motor vehicle inspection (additional information below).
- Period of TSSEA education and awareness ends and full TSSEA enforcement begins on April 1, 2024.

• July 1, 2024:

- Tow truck drivers must have a certificate to drive a tow truck.
- Tow truck drivers applying for a TSSEA certificate on or after July 1st,
 2024 must complete training requirements prior to receiving a certificate.
- Certificate fees come into effect:
 - \$575 per year for Tow Operators
 - \$575 per year for Vehicle Storage Operators
 - \$195 every three years for Tow Truck Drivers

The ministry recognizes that the transition to provincially led oversight is a significant change to industry. In the first few months of the new oversight model, to support the industry's adjustment, the Ministry of Transportation has encouraged our enforcement partners to, when possible, educate the towing sector on the changes coming into effect and direct them to Towing and Vehicle Storage Requirements to learn more.

While most tow and vehicle storage operator applications have been processed and their TSSEA certificates issued, there remains a number of outstanding applications currently under review and have not been processed.

As a result, the towing and vehicle storage sector is advised that:

• Tow and vehicle storage operators who have applied for their TSSEA certificate that has not yet been issued should be prepared to present law enforcement with

- proof of application through the email receipt they received from the ministry. This may be presented electronically or in printed form.
- Sector specific requirements are available on Ontario.ca to better inform industry of their obligations under TSSEA.
- The sector must continue to prepare to be in compliance with all of TSSEA's requirements, including applying for a tow and vehicle storage operator certificate if you have not yet applied and submitting your maximum rates schedule to the ministry through the self-serve portal beginning January 15, 2024.

We would like to acknowledge the continued efforts of the tow and vehicle storage sector as they continue to work diligently in support of this important safety initiative.

Tow trucks Entering Truck Inspection Stations (TISs)

Currently, by ministry policy, tow trucks are not required to enter a TIS by direction from a highway signboard with flashing lights activated unless they are operating under an oversize/overweight permit, and it is a condition of that permit to enter a TIS when directed.

As of April 1, 2024, this policy exemption will be removed, and tow trucks will be required to enter a TIS along with other commercial motor vehicles when the flashing lights on a TIS signboard are activated.

The tow industry was first introduced into the Commercial Vehicle Operator's Registration (CVOR) program in January 2017. At that time, it was communicated that further requirements for tow trucks, including the requirement to enter a TIS, would be phased in over time. The ministry has been raising awareness of this upcoming change with industry stakeholders over the past year. This change will support the ministry goal of road safety compliance as well as contribute to TSSEA oversight.

Ontario offers preclearance bypass opportunities at all ministry TIS' through <u>Drivewyze PreClear</u>. The subscription-based service allows trucks and their drivers to be precleared and legally bypass TIS' saving time and money. Trucks and their drivers are still subject to random inspection and the rate of bypass is dependent upon the operator's safety record.

To learn more, please visit **Drivewyze PreClear**.

Application Process and Certificate Fees

The ministry has received considerable uptake since the TSSEA certificate application portal opened on July 4, 2023; however, all operators and tow drivers are encouraged to apply now in the event they have not already done so. Due to the high volume of applications being received and the earlier deadline, Tow Operator and Vehicle Storage applications are currently being prioritized and as a result it may take longer than expected to process Tow Driver certificate applications.

To encourage industry registration and ease transition from municipal oversight, there will be no fees charged until July 1, 2024, for all certificate types. Tow drivers who apply early will have an additional three years to complete the required training (training must be completed for certificate renewal, which is required three years after certification).

Effective July 2024, the following certificate fees will apply:

- \$575 per year for a Tow Operator Certificate;
- \$195 every three years for a Tow Truck Driver Certificate; and,
- \$575 per year for a Vehicle Storage Operator Certificate.

You must meet <u>certain requirements</u> to apply for and keep your certification. To learn more, please visit <u>Ontario.ca/towstoragecertificate</u>.

Maximum Rates Schedule

Beginning January 15, 2024, both tow operators and vehicle storage operators will be required to submit their maximum rates to the MTO through the ministry's Maximum Rates Schedule Portal. Each operator's maximum rate schedule will then be published online and can be viewed by the public. An operator must submit their maximum rates to the ministry's Maximum Rates Schedule Portal by January 31, 2024.

The maximum rate schedule form that identifies which tow and storage services can be provided for a charge was developed in consultation with industry stakeholders, and in accordance with Ontario Regulation 162/23-Charges for Towing and Vehicle Storage Services.

Once an operator's rates are submitted, they are free to update them whenever they choose; however, updating an existing rate requires 30 days before the updated rate becomes effective.

Please note that under TSSEA:

- Operators cannot charge for a service unless it appears on their maximum rate schedule and must not charge more than their published maximum rate for any service.
- If you provide a service, you must submit your maximum rate using the self-service portal or your default rate will be \$0.
- Customers must receive a copy of the maximum rate schedule before consenting to a tow.
- Tow operators must display their current maximum rate schedule at all locations open to the public.
- Vehicle storage operators must display their current maximum rate schedule at all premises where vehicles are stored.

Operators are encouraged to review the maximum rate schedule form now to determine the appropriate maximum rates for your business.

To learn more about maximum rates and to view the Maximum Rate Sheet template, please visit the Ontario.ca/TowStorageRates webpage. The Maximum Rates Schedule portal will be available through this same link on January 15, 2024.

As TSSEA is fully in effect on January 1, 2024, and governs the rates that operators may charge, the Director of Towing and Vehicle Storage Standards has the authority to review unreasonable rates and intervene.

Towing and Vehicle Storage Complaints

Customer Complaints

All towing specific provisions of the *Consumer Protection Act, 2002* will be repealed as of December 31, 2023. Jurisdiction of consumer protection provisions will fall under TSSEA starting January 1, 2024.

As provincial oversight begins January 1, 2024, the MTO can only address concerns for events happening after that date.

Customers who have a concern about the towing and vehicle storage services they have received, or the conduct of a tow truck driver, tow or vehicle storage operator, may report the complaint to the MTO using the <u>TSSEA Complaints Portal</u> available January 15, 2024.

Questions, comments or complaints about the Tow Zone Pilot or the public's experience receiving towing services within any of the restricted towing zones, should continue to be directed to the <u>Tow Zone Pilot</u>.

Police Services, Municipal Authority, and Other Stakeholder Complaints

The ministry has designed a portal to intake and prioritize complaints, issues of non-compliance and intelligence gathered from police, municipal partners and stakeholders. The portal can be used to submit a complaint about a tow company, tow truck driver, or vehicle storage operator for events that occur after January 1, 2024.

Example of some of the complaints that the ministry will investigate are:

- Dangerous or unsafe driving;
- Driver behaviour (aggression, intimidation, etc.);
- Non-registered operators or drivers; and
- Customer protection (pricing, code of conduct, releasing of vehicles, etc.).

Once a complaint is received, the ministry will investigate and determine if action should be taken against the operator or driver's certificate.

Law enforcement, municipalities and stakeholders may access the complaints portal using the <u>TSSEA Complaints Portal</u>, available on January 15, 2024.

To learn more about Ontario's tow and vehicle storage requirements and customer rights and rates, the following reference materials are available:

- Ontario.ca/towstoragecertificate
- Towing and Vehicle Storage Requirements
- Know Your Rights When Getting a Tow
- Ontario.ca/TowStorageRates
- Towing and Storage Safety and Enforcement Act
- Ontario Regulation 167/23 General
- Charges for Towing and Vehicle Storage Services

Sincerely,

Jennifer Elliott Director Commercial Safety and Compliance Branch