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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 345  
133<sup>rd</sup> General Assembly

## Bill Analysis

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**Version:** As Passed by the House

**Primary Sponsor:** Rep. Jones

Margaret E. Marcy, Attorney

### SUMMARY

- Establishes procedures that allow the owner of a towing service or a storage facility to obtain title to another's motor vehicle after:
  - Law enforcement ordered the motor vehicle to be towed, and the vehicle or items in the vehicle are not necessary to a criminal investigation;
  - The service or facility owner has sent proper notice to the vehicle owner and any lienholder;
  - The vehicle continues to remain unclaimed for 60 days after notice was received; and
  - The service or facility owner executes an affidavit with the clerk of courts affirming that proper requirements have been met to take title.
- Requires the Registrar of Motor Vehicles to create the form of the affidavit (to be used by the service or facility owner) within 90 days of the effective date of the bill.
- Requires a clerk of court to issue a certificate of title for a motor vehicle to a service or facility owner that presents an affidavit affirming compliance with all necessary procedures.

### DETAILED ANALYSIS

#### Obtaining title to certain unclaimed motor vehicles

Currently, the owner of a towing service or storage facility may obtain either:

1. A certificate of title to an unclaimed motor vehicle in its possession if the vehicle is towed from a private tow-away zone and is valued at less than \$3,500;<sup>1</sup> or

2. A salvage certificate of title if the vehicle is valued at less than \$1,500 (after taking into account necessary repairs, towing fees, and up to 30 days of storage fees), the vehicle is inoperable, and the vehicle cannot be restored for highway operation.<sup>2</sup>

To obtain title, the service or facility owner must conduct a search for the vehicle's owner and any lienholder, send notice to the owner and lienholder(s), and after either a 30-day or 60-day waiting period, if the vehicle remains unclaimed, apply to the appropriate clerk of court for title.<sup>3</sup>

The bill establishes the following procedures for a towing service or storage facility owner to obtain title to an unclaimed motor vehicle (of any value) that a law enforcement agency has ordered to be towed:

**Step 1:** A law enforcement agency orders the vehicle to be towed.<sup>4</sup>

**Step 2:** To identify the vehicle owner and any lienholder, the towing service or storage facility owner causes a search to be made of the records of the Bureau of Motor Vehicles.

**Step 3:** The service or facility owner sends notice by certified mail, return receipt requested, to the vehicle owner and any lienholder's last known address. The notice must inform the vehicle owner and any lienholder that the service or facility will obtain title to the motor vehicle if it is not claimed within 60 days after the date the notice is received.

**Step 4:** The service or facility owner either receives the signed receipt from the certified mail or is notified that the delivery of the certified mail was not possible.

**Step 5:** The motor vehicle continues to remain unclaimed for 60 days after the date that the service or facility owner receives the required notice (as evidenced by a signed receipt) or the date that the owner was notified that the delivery was not possible.

**Step 6:** A sheriff, chief of police, or a state highway patrol trooper has determined that the vehicle or items in the vehicle are not necessary to a criminal investigation.

**Step 7:** The service or facility owner executes an affidavit (the form of which must be created by the Registrar of Motor Vehicles by 90 days after the effective date of the bill) affirming that all of the requirements to take title (**Steps 1-6**) have been met.

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<sup>1</sup> R.C. 4513.601.

<sup>2</sup> R.C. 4505.103.

<sup>3</sup> R.C. 4505.103 and 4513.601.

<sup>4</sup> Law enforcement must have ordered the vehicle towed or stored at the owner's service or facility pursuant to R.C. 4513.60, 4513.61, or 4513.66.

**Step 8:** The clerk of court must issue a certificate of title for the motor vehicle, free and clear of all liens and encumbrances, to the service or facility owner if the owner presents an affidavit that complies with **Step 7**.

After obtaining title and disposing<sup>5</sup> of the vehicle, the towing service or storage facility may retain any money arising from the disposal. The towing service or storage facility also must inform the entity that ordered the motor vehicle into storage (e.g., the appropriate law enforcement agency) that the motor vehicle has been so disposed – this notice must be provided by the last business day of the month in which the service or facility obtained the title.<sup>6</sup>

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## HISTORY

Action	Date
Introduced	09-23-19
Reported, H. Transportation & Public Safety	11-18-20
Passed House (82-12)	12-03-20

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<sup>5</sup> Although the bill does not define “dispose,” it may include selling or otherwise removing the vehicle from the service or facility’s property.

<sup>6</sup> R.C. 4505.104.