

The Philadelphia Inquirer

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Butkovitz accuses tow operators of bilking drivers

By Patrick Kerkstra

Inquirer Staff Writer

City Controller Alan Butkovitz yesterday accused private tow-truck operators of bilking Philadelphia motorists and of violating city law by refusing to accept noncash payments for towing charges.

Butkovitz said the violations were blatant and widespread, and a result of lax enforcement by the Department of Licenses and Inspections, which regulates the city's private towing industry.

"It seems like there's open contempt for what the rules are because L&I has left such a gap in enforcement that these companies actually believe that they're making the law," Butkovitz said at a morning news conference.

The controller's report includes photos of signs posted by private towing companies throughout the city warning motorists that a tow will cost them \$175 - \$25 more than the city-imposed cap of \$150. Many of the signs also say the tow operators will accept only cash as payment, violating a city law approved last year that requires towing companies to accept credit and debit cards for payment.

Two towing operators named in the controller's report said Butkovitz's staff had merely snapped photographs of old signs. They said they charged \$150 for a tow, not the \$175 posted on the signs.

"Those signs were posted years ago. Nobody could produce a receipt showing we've charged them \$175. We charge \$150," said Mike Williams, owner of Tow Decision and partial owner of three other towing companies in the city.

But Williams said he would "never" accept credit cards, a position that seems to be strongly held among tow-truck operators despite city ordinances.

"We work in cash, and no one in the world can tell me I must take a credit card," said Bill Goodman, manager of A. Bob's Towing, which also was cited in Butkovitz's report.

The law applies only to "nonconsensual" tows, in which tow companies haul away vehicles parked illegally on private property. Credit cards are too risky to accept as payment in those cases, Goodman said, because vehicle owners are prone to disputing credit charges for towing fees.

When told of Goodman's and Williams' positions on credit cards, City Councilman James F. Kenney - who sponsored the bill requiring towing operators to accept credit and debit cards - said the city should "go down and take the stickers off their trucks tonight, because they're in violation."

How best to regulate private towing companies in Philadelphia is a long-standing problem. The job belongs to L&I, which has been hit particularly hard by recent budget cuts.

"Obviously you can lecture the private companies that they should do a better job, but the way we get compliance is by having teeth in the way of government enforcement," Butkovitz said. "L&I supposedly has the teeth, but in practice they don't."

L&I Commissioner Fran Burns did not return a call for comment yesterday. But in a written response to the controller's report, she noted that relatively few customers had complained to the city about private towing operators and contended that the department was improving its ability to track towing violations. She said in the report that the department would crack down on signs saying tows cost \$175.

Kenney said he was close to introducing legislation that would give motorists who felt they had been wrongly towed the right to appeal to an administrative board.

If the board were to find against the towing company, the operator would be compelled both to return the towing fee and pay the motorist a fine. The legislation could be introduced as soon as Council's next session, Kenney said.

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Report: Tow firms take you for a ride

By **KITTY CAPARELLA**
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Eight private tow-truck companies are "openly violating the law" by charging excessive towing fees and additional fees for extra labor with no appeals process, a City Controller's report charged yesterday.

Controller Alan Butkovitz described the actions as "predatory towing" and "price gouging" by the eight companies, which towed 84 percent of vehicles from private lots during a three-month probe last year.

Motorists have no recourse but to pay the exorbitant fees in order to retrieve their vehicles, but few filed complaints, said the report.

The city code states that no towing company may charge more than \$150, but seven of the eight companies charged excessive fees, such as \$175 for cars, \$185 for SUVs and \$200 for business vehicles, which were posted on signs at private parking lots.

"It is as if they've created a pri-

ivate government. If your car is towed, nobody can help you," said the controller.

Butkovitz blamed L&I for "a large gap which you can drive a tow truck through" in its poor enforcement of city codes and in its lax communication with the Police Department regarding tow-truck companies.

Butkovitz is seeking higher fines against the towing companies, and better coordination between the two departments.

In letters attached to the 34-page report, Police Commissioner Charles Ramsey and L&I Commissioner Fran Burns said their departments have improved procedures and communications since last year's probe.

The report found that only 44 motorists, or 2 percent, filed complaints with L&I as a result of 2,153 private tows by 33 operators between May 2008 and July 2008.

As a result, seven tow companies were temporarily suspended and L&I referred three companies to Municipal Court for prosecution.

Ramsey recommended that City Council pass legislation that would require a ticket to be issued on vehicles parked on private lots before they are towed, so that the owners have an appellate process.

Burns said that L&I regulates

signs while the Attorney General's Office of Consumer Affairs Division investigates fraud.

The report identified eight tow-truck companies under investigation: George Smith Towing; Lew Blum Towing Co.; Mystical; Steven's Towing; Manton Towing & Transport; Bob's Auto & Towing; Tow Decision; and Todd Marvin.

When Tow Decision's license was revoked, it continued to operate using the name of another company to circumvent suspension, the report found.

Todd Marvin listed no address on signs where to pick up vehicles, as required, the report found. A representative said last night that customers still must call to find out where their cars are stored.

Last night, the *Daily News* reached all but Tow Decision and Mystical, and a representative of Steven's Towing suggested calling the manager today.

The other representatives said they charge \$150 for a tow and \$25 a day for storage. A few said they had received letters from L&I notifying them that they could not charge above \$150 for a tow, a regulation that had not been enforced before last year.

The firms have been changing their signs to reflect the new rates, but there may still be old signs still up, the representatives said. ★

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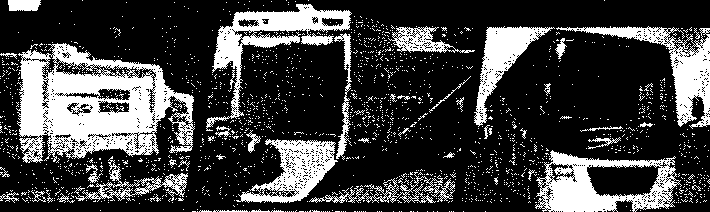
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EXECUTION

Continued from Preceding Page

clemency.

Cheryll Witz was one of several victims' family members who traveled to Virginia to watch the execution. Malvo confessed that he shot her father, Jerry Taylor, on a Tucson, Ariz., golf course in March 2002 at Muhammad's direction.

"He basically watched my dad breathe his last breath," she said. "Why shouldn't I watch his last breath?"

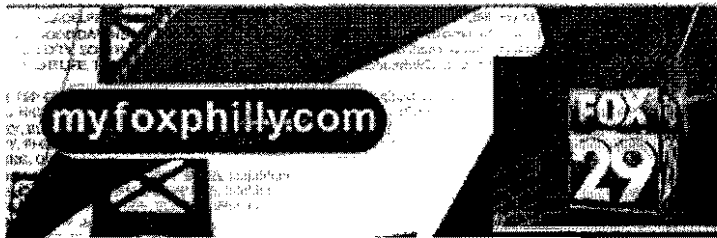
The motive for the shootings is murky. Malvo said that Muhammad wanted to use the plot to extort \$10 million from the govern-

ana and entered the National Guard. A convert to Islam, John Allen Williams would later change his name to Muhammad.

He joined the Army in 1985 and trained in Washington state as a combat engineer. He did not take special sniper training but earned an expert rating in the M-16 rifle -- the military cousin of the .223-caliber Bushmaster rifle used in the sniper shootings.

However, his life was full of failure. He was twice divorced, and after serving in the first Iraq war, he could never find financial stability.

He opened a karate school but it didn't last; neither did his car repair shop. The man who looked for self-discipline in exercise and himself living in a



City: Private Towers Openly Flaunt Laws

Controller Finds Many Companies Violate City Codes

PHILADELPHIA - Controller Alan Butkovitz is out with a new investigative report accusing eight major private towing companies of charging their targets more than what's allowed by law and illegally demanding payments be made in cash.

City code is very clear: private towing firms may charge no more than \$150 to tow your vehicle — no ups, no extras. Storage fees are capped at \$25-a-day, \$175 total. And you must be allowed to pay your tab with a credit card.

But during a several month stretch last year, the Controller's Office found signs all over the city indicating private firms were charging up to \$200 for towing, \$50-a-day for storage, and demanding all payments be in cash.

Butkovitz said the Department of Licenses and Inspections is supposed to be monitoring the towing companies.

"You can lecture the private companies that they should do a better job, but the way we get compliance is by having teeth in the way L&I enforces it," Butkovitz said. "L&I is the means. L&I supposedly has the teeth. In practice, they don't. So that leaves a large gap, through which you can drive a tow truck through."

The owner of one of the companies cited in the controller's probe, George Smith Towing, told Fox 29's Bruce Gordon by phone that he had scaled his fees back to \$150 and \$25 in accordance with city code, but that his signs were out of date.

We did find updated signs in Center City. But when we visited his tow lot near the airport, we noticed the sign at the pay window says cash only, a clear violation of the city code.

Police Commissioner Charles Ramsey's response may be the most telling.

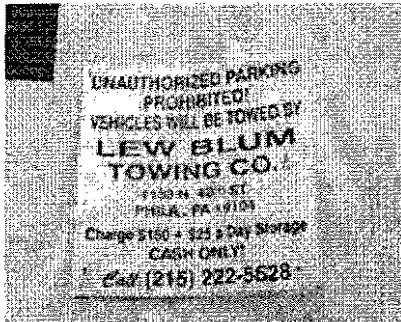
"What recourse do these aggrieved vehicle owners have?" he wrote. "Absolutely none!"

Left to the mercy of the tow operators, Ramsey wrote, "There is no judge or jury -- just the penalty."

L&I admits it can levy fines against tow company violators but says only the courts can enforce those fines.

In case you were wondering, Butkovitz says his office devoted about 200 man hours to compiling this report, all to let the public know that tow companies are openly breaking the law, that there's nothing you can do about it and little the city will do about it.

WHYY News and Information



Report claims towing firms gouge drivers

Wednesday, November 11th, 2009

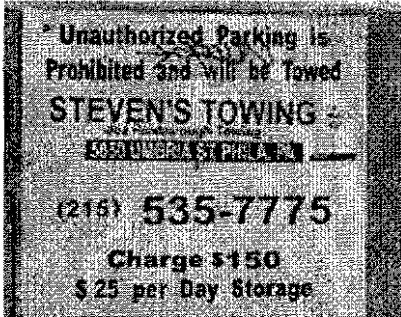
By: Susan Phillips
sPhillips@whyy.org

Private tow truck operators in the city of Philadelphia have been ripping off car owners, according to a new report issued by the City Controller.

Caption: Signs placed around the city incorrectly quote the towing fee as \$175 dollars. They also falsely claim motorists can only pay in cash.

Listen:

Signs often tell you that if you get caught parking illegally in a private lot, you can be charged \$175 dollars for the tow, plus \$25 dollars a day for storage. At the bottom are the words "Cash Only." But city law says the hook-up charge should only be \$150 dollars, and companies must accept credit cards. City Controller Alan Butkovitz says the department of Licenses and Inspections isn't enforcing the law.



Butkovitz: You can lecture private companies to do a better job but the way we get compliance is by having teeth in the way the government enforces it. L and I supposedly has the teeth but in practice they don't. So that leaves a large gap through which you can drive a tow truck through.

Butkovitz says a car owner now has little recourse. He'd like to see the city limit ripoffs by requiring police issue a ticket before any private tow truck operator could take a vehicle.



Posted: Wednesday, 11 November 2009 11:19AM

City Councilman Fuming Over Renegade Tow Truck Operators

by KYW's Mike Dunn

One day after the Philadelphia city controller accused tow truck operators of routinely overcharging customers ([see related story](#)), a city councilman says he wants victims to be able to fight back with an appeals board.

The controller's report found towing companies ignoring the current law, which limits tow charges to \$150 per car. Councilman Jim Kenney authored the law which set the \$150 limit, and he's hopping mad:

"They don't comply with the law, and they charge people whatever they want."

So Kenney next week will propose a new plan in which people who feel they've been ripped off by rogue towers can appeal:

"If the examiner finds that the tow truck operator is in violation, the car owner should get their money back plus double whatever they paid, as a fine to the tow truck operator."

And Kenney says that maybe that fine would be incentive to the operators to follow the rules.

(File photo)



Posted: Tuesday, 10 November 2009 12:47PM

City Controller Wants Crackdown on Illegal Tow Truck Fees

by KYW's Mike DeNardo

The Philadelphia controller says the city should be cracking down on tow truck operators who overcharge consumers.

City controller Alan Butkovitz says the city code allows private towing companies to charge no more than \$150 per vehicle. But he says eight towing companies have signs at private lots listing charges of \$175 and up:

"If you park illegally, you should be assessed what the legal rate is. But you should not be gouged at the whim of the private owner or the tow truck company just because they have your car."

Ray Anderson, the dispatch manager at Manton Towing, one of the companies Butkovitz singled out, says his company charges the legal limit and the controller is looking at old signs:

"The city's not going to give us the money to go out there and change all these signs And that's very costly. The signs cost \$22 apiece -- you do the math."

Butkovitz is calling on the city Licenses and Inspections department to enforce the code.