

Date: 2022-05-25

Subject: **Towing and Storage Working Group Recommendations Report
RM 98/2021, ALL WARDS**

Contact: J. Bisson, Manager, Licensing Enforcement, Legislative Services,
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Report Number: Legislative Services-2022-580

Recommendations:

1. **THAT** the report from James Bisson, Manager, Licensing Enforcement, Legislative Services, dated May 25, 2022, to the Committee of Council Meeting of June 8, 2022, re: Towing and Storage Working Group Recommendations Report RM 98/2021 ALL WARDS, be received.
2. **THAT** Staff continue to monitor and review the Towing and Storage Safety and Enforcement Act (TSSEA) and related regulations.
3. **THAT** Staff continue to liaise with members of the working group, composed of Brampton towing and storage business representatives.

Overview:

- **In May 2022, Staff met with members of the working group, composed of Brampton towing and storage business representatives, to discuss the current City of Brampton By-laws, the new provincial Towing and Storage Safety and Enforcement Act (TSSEA) and the associated regulations.**
- **This information report provides an overview of the discussions with members of the working group.**
- **The members of the working group will continue to monitor the implementation of the new TSSEA and related regulations and are not recommending any immediate changes to the existing processes.**

Background:

On December 8, 2021, Council passed resolution C414-2021:

- 1. That staff be directed to form a working group that includes industry stakeholders to review the towing and storage licensing schedules of the Mobile Licensing and the Business Licensing By-law and report back to Council with any recommendations that are developed from this working group prior to June 2022; and*
- 2. That Schedule 5 section 16(1) of the Mobile Licensing By-law be amended to increase the all-inclusive tow rate from \$286 to \$400 to account for the Peel Regional Police requirement for all vehicles involved in collisions to attend a collision report centre in the Region of Peel and to align with the City of Mississauga's all-inclusive collision rate for the requirement to attend the collision report centre.*

The second recommendation was completed with By-Law 1-2022 being passed by Council on January 26, 2022.

This report will provide an overview of the discussions and decisions made during the meetings.

Current Situation:

The working group consisted of the following business representatives:

1. Nicola (Nick) Terenzi - Supreme Towing and Recovery Services
2. Giovanni (John) Sena - Sibia Towing & Storage Ltd.
3. Durante Spinelli - Victoria Towing Inc.
4. Abdul Mousa - Southwest Towing Inc./ Post Collision Group Inc.

All four members have years of experience in the towing industry and represent both large and small towing services as well as vehicle pound facility operators.

On May 8 and 18, 2022, Staff met with members of the working group to review the new Provincial Towing and Storage Safety and Enforcement Act (TSSEA) and regulations, the Collision Tow Rate and CPI increase, fuel surcharge and the 2023 licensing renewals.

The Towing and Storage Safety and Enforcement Act (TSSEA)

On June 3, 2021, following recommendations from the Towing and Storage Task Force, the Ontario government enacted the TSSEA to address growing violence, corruption and criminal activity in the towing industry.

On April 27, 2022, the province filed Ontario Regulation 417/22 (General) under the TSSEA and published it in the Ontario Gazette on May 7, 2022. This regulation lays out the requirements to obtain a certificate for tow operators, tow truck drivers and storage operators, along with the appeal mechanisms for the certificates.

The province has identified that municipal licensing of the towing and storage businesses will be phased out and that the province will work with the municipalities regarding this change.

Currently, the requirement to start registering for all three certificates will begin July 1, 2023. The new TSSEA requirements and standards will take effect on January 1, 2024.

The working group expressed concern on whether or not there would be set towing rates and about the enforcement of the provincial regulations. They will continue to monitor the implementation of the TSSEA by the province and liaise with staff as required.

All-Inclusive Collision Tow Rate

The working group indicated that the new rate enacted by Council has been well received by the towing industry and has helped to offset expenses. They also stated that since the rate will be increased on January 1, 2023, by the consumer price index (CPI) percentage, it is expected that this increase will offset the rise of their operating costs for 2022.

Diesel Surcharge

The working group discussed a surcharge to offset the higher than usual diesel prices but decided to defer the implementation of such surcharge due to the recent increase in the all-inclusive rate and the fact that the rate will be increased by the CPI in January 2023.

Renewal of City of Brampton - Tow Truck Driver and Owner Licenses in 2023

The last item discussed by the working group was the renewal of the towing licenses for drivers and vehicle owners in 2023.

The owners' licenses issued by the City, are scheduled to expire on June 30, 2023. The Province has indicated that the registration for certificates under the TSSEA is scheduled to begin on July 1, 2023 and the standards within the regulation under the TSSEA will come into effect on January 1, 2024.

The expiry dates for City of Brampton's tow truck driver licenses are set to the applicants' date of birth. In consideration of the current timelines set out by the province, staff have limited the renewals of tow truck driver licenses from four (4) years to one (1) year.

Further review of the license issuance process will be required to manage license issuance and renewal of tow truck driver licenses in 2023.

Term of Council Priorities:

This report aligns with the City of Brampton 2018-2022 Priorities:

Brampton is a Healthy and Safe City: Focusing on community safety and encourage active and healthy lifestyles. Residents need to feel safe when using the various transportation services.

Brampton is a Well-Run City: Continuously improving the day-to-day operation of the Corporation by streamlining service delivery while providing a safe and functional licensing experience to the small business operators providing service to the residents in the City.

Conclusion:

At this time there are no recommended changes to the Mobile and Business Licensing By-laws.

Staff will continue to consult with the towing and storage working group as the regulations for the TSSEA are released. We propose to report back to Council when the timelines for implementation are finalized by the Province and if necessary, provide recommendations for amendments to the Licensing By-laws.

Authored by:

Reviewed by:

James Bisson, Manager, Licensing
Enforcement

Jean-Pierre Maurice, Interim Director,
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Approved by:

Diana Soos, Commissioner of
Legislative Services