

TENNESSEE TOW TRUCK ASSOCIATION

3306 Grandeur Way

11/9/2017

VOLUME:11

Suite 1

Morristown, TN 37814

WELCOME NEW AND RENEWED MEMBERS

Martin's Wrecker Service – Nashville TN

S&S Towing - Lebanon, TN

Phifer's Auto Service – Washburn TN

Titan Towing – Cleveland TN

Whaley's Towing – Covington, TN

Mann's Wrecker – Jackson TN

Mike's Custom Towing – Nashville, TN

A -1 Towing – Greeneville TN

Tennessee Clean Fuels – Vendor/Supplier

Central Carolina Insurance Agency – Vendor/Supplier

FROM THE DESK OF THE PRESIDENT:

Todd Putman

I have attached some of the key laws all towing companies need to be aware of regarding vehicles left in storage, and the disposition of the proceeds from the sale of vehicles left in storage.

TCA 55-16-107

55-16-107. Garagekeepers and towing firms authorized to enforce lien.

(a) Notwithstanding any other provision of this chapter to the contrary, the police department through its chief officer, after complying with § 55-16-105, may execute a written waiver of its right to sell a vehicle taken into custody under this chapter in favor of a garagekeeper or towing firm in whose possession the vehicle was lawfully placed by the police department under this chapter. If a garagekeeper or towing firm has made repairs to a vehicle for which a waiver has been executed, the garagekeeper or towing firm may proceed to enforce the lien as provided in § 66-19-103. If the garagekeeper or towing firm has not made repairs to a vehicle for which a waiver has been executed, the garagekeeper or towing firm may, after thirty (30) days from the waiver date, proceed to sell the vehicle in accordance with the procedure established in § 55-16-106 and keep the proceeds from the sale.

(b) As to third-party purchasers, the sale of the abandoned, immobile, or unattended vehicle shall be valid, but the garagekeeper or towing firm shall sell the vehicle in a commercially reasonable manner, and failure to do so may subject the garagekeeper or towing firm to suit for monetary damages by either the true owner or a lienholder.

HISTORY: Acts 1967, ch. 250, § 5; T.C.A., § 59-1607; Acts 1983, ch. 463, § 2; 1996, ch. 868, §§ 4, 5; 1998, ch. 760, § 5.

TCA 66-14-106

66-14-106. Disposition of proceeds of sale.

If the goods are sold, from the proceeds of such sale the artisan shall satisfy such artisan's lien, including the reasonable charges of notice, advertisement, and sale. The balance, if any, of the proceeds shall be held by the artisan, and delivered on demand to the person to whom the artisan would have been bound to deliver or justified in delivering the goods. If no person claims the balance within twelve (12) months, the artisan shall turn over the balance to the trustee of the county for the benefit of the common schools of the county in which the goods were sold.

HISTORY: Acts 1935, ch. 53, § 1; C. Supp. 1950, § 7988; T.C.A. (orig. ed.), § 64-1406.

Unified Carrier Registration (UCR) Update information

Unified Carrier Registration has been postponed until a later date. Our TTTA president, Todd Putman spoke with the UCR office on November 2, 2017; at that time the UCR office in Nashville stated, UCR would

be delayed until the Federal Government changed the rates for renewal. There was talk of a ninety (90) day grace period for towing companies. TTTA will continue to monitor and update our members in regard to UCR.

Complete Towing and Body Shop for Sale:

Towing and Body Shop for sale in Loudon TN. Tow Trucks included in the business. Business with Body Shop and storage lot. Business has been in business since 1969. Contact Bob Elzie at 865-680-0007 or email at Bob.Elzie@Bivensbodyshop.com.

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TREASURER REPORT FOR NOVEMBER 2017

November 3, 2017

Bills paid in October 2017:

Tow show booth	\$ 250.00
Mike McGovern (Sept. 2017) \$2000.00 contract amount plus mileage TTTA was	
Charged to the tow show in Chattanooga	\$ 2126.50
R. Bowlin (Oct 2017)	\$ 1250.00
TTTA telephone	\$ 96.33
Heavy Haulers	\$10,100.00

TTTA received Pledge invoice DID NOT receive invoice Paid for amount

Balance in Account after all checks cleared for October 2017 **\$56,225.83**

Payments yet to be paid:

M. McGovern	\$ 2000.00 per month
R. Bowlin	\$ 1000.00 per month
TTTA telephone	\$ 96.33 per month
Deposits to go into bank	\$ 1287.59

New total **\$ 54,417.09**

From the office of the TTTA General Counsel:

The “10-day Rule” for Unclaimed Vehicles

Michael McGovern
The McGovern Law Firm, Knoxville

Part of my duties as general counsel for TTTA includes fielding requests from members for legal assistance or information. Recently, I have received two questions regarding the so-called “10-day Rule” on notifying owners and lienholders of the pending sale of an unclaimed vehicle:

QUESTION 1: What is the earliest that we can auction a vehicle after the certified mail notice is sent? Is it 10 days from date of letter sent or is it 10 days from owner/lienholder receipt of certified letter?

ANSWER: TCA 66-14-103(3) provides that the auction sale may be held:

not less than ten (10) days from the delivery of the notice, if it be personally delivered, or from the time when the notice should reach its destination, according to the due course of post, if the notice is sent by mail ...

I interpret that statute to mean that the sale cannot be conducted until at least ten (10) days has passed from the date of receipt indicated on the certified mail receipt. If notice was mailed to both an owner and lienholder, I would recommend waiting for at least ten days after the latest receipt by either the owner or lienholder.

QUESTION 2: The ten (10) day period has passed but I have not held the auction sale yet. The owner has now called and said they want to pick up the vehicle and are willing to pay all outstanding charges. Do I have to turn over the vehicle even though the 10 day notice period has expired?

ANSWER: Yes. TCA 66-14-105 says:

At any time before the goods are sold, any person claiming a right of property or possession therein may pay the [towing company] the amount necessary to satisfy the lien and pay the reasonable expenses and liabilities incurred in serving notice and advertisement and preparing for the sale up to the time of such payment. The [towing company] shall deliver the

goods to the person making such payment if that person is entitled, under this chapter, to the possession of the goods on payment of such expenses and liabilities.

An owner or lienholder has the right to reclaim a vehicle up to the time of the sale; however, if they seek to reclaim the vehicle after the 10-day notice has expired they must pay any additional storage fees and any cost to prepare the vehicle for sale, including newspaper advertisements.

TTTA General Counsel's Tip: If you are in possession of an impounded vehicle with value that goes unclaimed, you MAY be able to limit the time in which an owner or lienholder can redeem the vehicle by publishing the newspaper advertisement of the sale on the same day that you send out the 10-day notice. The lien sale law says, "The sale shall not be held less than fifteen (15) days from the time of the first publication." Publishing the newspaper advertisement on the same day that the notice is sent MAY allow you to sell the vehicle almost immediately after the expiration of the 10-day notice IF the certified mail notice is timely delivered. For example, assume that on December 1 the certified mail notice is placed in the mail. If a newspaper advertisement for an auction sale is also published on December 1 for a December 16 auction (15 days from publication) the vehicle might be auctioned on December 16 if all goes well.

Assume further that the certified notice mailed on December 1 is received and signed for by the vehicle owner on December 4. The 10-days allowed under TCA 66-14-103(3) expires on December 15. That means that the owner would only have ONE DAY between the expiration of the 10-day notice and the December 16 auction sale to redeem the vehicle under the "grace period" allowed under TCA 66-14-105. The vehicle could legally be sold at auction on December 16 - only 15 days after mailing of the certified notice.

The above example is a "best case" scenario and assumes prompt delivery of the certified mail notice. Note that if delivery of the certified mail notice in the above example was delayed to December 5 or later, the auction sale would have to be rescheduled and re-advertised because the owner would be deprived of their 10-day window before the sale to reclaim their vehicle. Also, if the owner reclaims the vehicle within the 10-day period you cannot charge for the cost of any newspaper advertisement

Hello all TTTA Member/Professional Towers,

All members please email me at: mkrhinocharge@aol.com with all questions temporarily having technical difficulties with the email at administrator address and I do not want to miss anyone until issue is resolved.

Also update our mailing address below to our New Office address please.

Have a Blessed and Safe Month,

Rebecca – Administrator

Tennessee Tow Truck Association

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