

## Amendments to *Repair and Storage Liens Act* ("RSLA") and *Consumer Protection Act* ("CPA")

To prevent, or at least reduce, perceived abuses in the vehicle towing and storage business, a number of significant amendments have been made to the *Repair and*

*Storage Liens Act and Consumer Protection Act, 2002* as the Acts apply to the towing and service industry. The majority of the amendments take effect on July 1, 2016.

The following summary is based on information provided by Service Ontario.

### **Consumer Protection Act Regulations**

Towing and storage providers will be required to give consumers:

- The name of the provider and, if different, the name under which the provider carries on business;
- The telephone number of the provider, the address of the principal place of business and information about other ways, if any, that the consumer can contact the provider, such as by fax, email or through a website;
- A current statement of rates; and
- The address of the location where the provider will take the vehicle.

In addition, a tow and storage provider must disclose if it has any interest in a location or facility where vehicles may be towed for repair, storage or appraisal.

This disclosure requirement will not apply in circumstances where a tow and storage provider provides services as a result of the vehicle being impounded, detained under the authority of other laws, or otherwise lawfully seized.

### **Authorization**

A tow and storage provider will be required to get a written authorization from the consumer. If the consumer is unable to give authorization as a result of the circumstances – for example due to injury – it could be provided by a person acting on behalf of the consumer.

The authorization will need to include the name and contact information of the consumer or the person acting on their behalf, and the date and time the authorization was given. A copy of the authorization will need to be given to the consumer or the person acting on their behalf. If the authorization is not given in writing, it will need to be recorded in a way that will allow the person who gave the authorization to retain and make a copy of it.

An authorization will not apply in circumstances where a tow and storage provider provides services as a result of the vehicle being impounded, detained under the authority of other laws, or otherwise lawfully seized, such as a legal repossession.

### **Repair and Storage Liens Act Regulations**

#### **Notice**

Where a storer knows or has reason to believe that the motor vehicle being stored was received from someone other than the owner or a person having the owner's authority, the 60-day notice period will be shortened to 15 days if the motor vehicle is registered in Ontario.

The notice period will remain 60 days for vehicles registered in another province or country.

Amendments provide that where documents are required to be or may be given under the RSLA, they can be sent electronically or faxed, in addition to the methods identified currently in the RSLA, such as by delivering the document personally or by certified or registered mail.

No RSLA lien can be claimed for tow and storage services that are subject to the *Consumer Protection Act*, unless these applicable provisions regarding disclosure, authorization, invoicing, insurance and disclosure of an interest has been complied with.

For example, if an authorization to tow and store a vehicle is required and none is obtained, no lien for the cost of towing or storage can be claimed.

#### **Access to Vehicle**

Tow and storage providers will need to give a consumer whose vehicle is towed or stored, or a person acting on their behalf, access to the vehicle without charge to remove all property contained in the vehicle belonging to or in the care of the consumer.

Access shall be provided from 9:00am to 6:00pm from Monday to Friday at the location where the vehicle is stored. A reasonable fee can be charged for access outside those times.

These access provisions would not apply in circumstances where a tow and storage provider provides tow and storage services as a result of the vehicle being impounded, detained under the authority of other laws, or otherwise lawfully seized, such as a legal repossession.