

## Report to Community and Protective Services Committee

**To:** Chair and Members  
Community and Protective Services Committee  
**From:** Scott Mathers, MPA, P. Eng., Deputy City Manager,  
Planning and Economic Development  
**Subject:** Tow Truck Business and Impound Yard Provincial Regulations Update  
**Date:** February 22, 2023

### Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development:

- (a) This report **BE RECEIVED** for information purposes and
- (b) The Minister of Transportation and Director of Towing **BE ADVISED** that for the purposes of prompt customer service and consumer protection principles, Municipal Law Enforcement Officers be authorized to enforce the Towing and Storage Safety and Enforcement Act using a partnered compliance protocol with the Province as determined in further consultations.

### Analysis

#### 1.0 Background Information

Due to an increased concern with tow truck solicitation and speeding to motor vehicle accident occurrences, Municipal Council directed staff to prepare an amendment to the Business Licensing By-law to include Motor Vehicle Towing as a class of licence and hold a public participation meeting. After numerous consultations with the industry, London Fire Department, London Police Service and Middlesex London Paramedic Service, staff submitted a By-law to CPSC. The purpose of the By-law was to licence tow truck operators and impound yards providing services at accident scenes. The By-law has been in force and effect since March 23, 2021.

#### 1.1 Previous Reports Related to this Matter

- CPSC: September 10, 2019; December 3, 2019; March 2, 2021.

#### 2.0 City of London Statistics:

Since March 2021, the City has issued:

- **24** Tow Truck Business licenses;
- **18** Impound Yard Storage licenses;
- **106** Administrative Monetary Penalties (AMP) for various by-law violations;
- **7** licence suspensions.

As part of the above statistics, in November 2022, Municipal Compliance partnered with London Police Service to undertake a Tow Truck and Impound Yard compliance blitz resulting in the issuance of 92 AMPs.

#### 3.0 Ministry of Transportation Consultation

In June 2020, the Premier of Ontario established a task force to improve provincial oversight of the towing industry. City of London staff participated in the consultations. The task force released the findings and recommendations in March 2021 and followed up with the passing of the Towing and Storage Safety and Enforcement Act ( TSSEA) (<https://www.ontario.ca/laws/statute/21t26>). The Province is in the process of developing regulations to the TSSEA.

### 3.1 Towing and Storage Safety and Enforcement Act - Regulation

A Regulation to the TSSEA was filed in April 2022 and is expected to come into effect July 1, 2023. [O. Reg. 417/22: GENERAL \(ontario.ca\)](#) The Regulation provides the Director of Towing (a Provincial position) with the authority to issue, renew, refuse, suspend, or revoke certificates for tow operators, tow truck drivers, and storage operators; set out certificate requirements for the industry, including driver training; and establish appeal processes.

The Province is phasing in the development of Regulations to give the industry time to prepare for the new oversight requirements. Once the TSSEA is fully in effect and Provincial certification is required to operate in Ontario, as of January 2024, municipal licencing of the towing and vehicle storage sectors will end and municipal by-laws will no longer be in effect.

### 4.0 Partnered Provincial Municipal Compliance

The Province has been clear in numerous consultations that enforcement of the TSSEA will be undertaken by Provincial Officers and will not include on road enforcement or attending storage yards to release vehicles. A large focus of the Provincial oversight will include the licensing of towing firms and tow operators. Over the last few years, Municipal Law Enforcement Officers, (MLEOs) have promptly and effectively responded to numerous citizen and first responder complaints and taken necessary enforcement actions to encourage compliance.

As such, Civic Administration is requesting that the Minister of Transportation and Director of Towing be advised that for the purposes of prompt customer service and consumer protection principles, Municipal Law Enforcement Officers be authorized to enforce the TSSEA as determined in further consultations. This opinion is shared among numerous municipalities involved in current ongoing consultations. Having a Provincial compliance organization solely enforce regulations pertaining to an industry which requires prompt and effective oversight is not operationally optimal. There are several examples where Provincial regulations are enforced by municipal staff in part or in whole (i.e. building inspections and property standards).

### 5.0 Next Steps

Since the enactment of the TSSEA, two Provincially lead consultations have taken place (November and December 2022). Civic Administration and LPS participated in the discussions. The input gathered from these two consultations will be considered in finalizing the proposed Regulations. Civic Administration will report back to Community and Protective Services Committee (CPSC) later this year, with amendments to the Business Licensing By-law removing tow truck business and impound yard categories.

## Conclusion

Civic Administration deems it to be in the public interest, having regard to both public health and safety and consumer protection, to protect persons involved in motor vehicle accidents on local roads and to ensure the safety of first responders. As such, Civic Administration fully supports the concept of a partnered compliance protocol with the Province in enforcing the TSSEA.

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