



STA News

Year End Update

December 2024

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President's Letter

Dear STA Members,

As I sit on a plane heading to DC with Bill Johnson for some legislative work, I'm recalling the previous year, and all of the events and issues the STA has conducted in 2024.

This past year has flown by, and I want to give special recognition to several people starting with Kim our executive director. She has done a great job putting details together in the year end report to recap everything, and has been a constant wealth of knowledge on all STA related issues (dating back to 1937) lol. I would also like to give a special thanks to the executive board for always being there and working so hard to make everything happen that was asked of them. Truly a great and selfless board.

PLEASE make sure you read the year end reports attached from the executive director and the lobbyists so everyone can see how tirelessly we have been working to keep our association going in the right direction. We have definitely made positive strides and delivered some much-needed victories for our members in 2024 and will continue to do so in 2025.

I cannot emphasize how important this association is in keeping our industry strong and prosperous. I would like to conclude by offering a challenge to every member of the STA TO RECRUIT ONE NEW MEMBER for the STA in 2025. It's crucial we continue to build our membership, and by doing so it increases, if not doubles, our presence, significance and political clout going forward.

With gratitude and appreciation,

John Dizenzo

2024 STATE OF THE INDUSTRY

For the past 5 years, our annual year end letter has started with something like this, "20XX was a challenging year for the towing industry on both a state and national level". STA has worked diligently to mitigate the effects of anti-towing contracts, regulations, policies and statutes.

Since 1985, the number of companies holding DPU involuntary performing involuntary towing certificates and providing services has decreased by 80%. If your company still provides involuntary towing services you are one of the survivors!

In the first 10 months of 2024, the number of certificated TSP's decreased by 6% from 560 to 527. In a 2023 STA survey, STA reached out to all 351 cities and towns to determine how many towing companies were providing police ordered towing services. Based on that study, STA determined there were 420 towing companies providing police ordered towing services in the Commonwealth. Since 2019, the number of towing companies providing services to the State Police has decreased approximately 35%.

As the pool of companies performing police ordered towing continues to shrink, STA has notified state and local officials that due to onerous contracts and non-compensatory involuntary towing rate regulation the industry is reaching critical mass. (Critical Mass: The minimum number of towing service providers required to maintain current police ordered towing services.)

2024 was a demanding year with a multitude of challenges requiring STA's involvement. 2025 looks to be a watershed year. We are cautiously optimistic that our efforts will yield positive results for the future of our industry.

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Involuntary Towing Rate Regulation

With only 5 rates increases in 54 years, it is clear the current rate setting process does not work. Each time STA petitions for a rate increase for the industry, the cost exceeds \$100,000 per petition.

Rates are not compensatory with costs and return on investment as well as the risks associated with providing police ordered towing services (24/7/365 coverage with 15-20 minute response times).

STA Action:

- In 2023, STA received yet another rejection to our most recent rate increase petition. At that time the STA Government Affairs Committee (GAC) started a campaign to garner support from elected government officials to: 1. Establish an emergency rate increase. 2. Encourage the DPU to review and revise the rate setting process.
- Members of the STA GAC and Board of Directors met with Governor Healey, spent a day on Beacon Hill meeting with key legislators, and attended numerous fundraising events all advocating for a more compensatory rate and a system for regular rate increases.
- Due to these efforts, in December 2023, the DPU granted an emergency rate increase changing the base rate from \$108 to \$132 and increasing mileage and other fees an average of 20%. Additionally, funds were appropriated for the DPU to hire a consultant to study the current process and make recommendations on revising the process so rates are adjusted on a consistent time line. A consultant has been hired and a report is expected sometime in March of 2025.

Vulnerable User Protections

M.G.L. Chapter 90, Section 7 pertaining to state contractors and the requirement for installation of vulnerable user protections becomes effective January 1, 2025. MassDOT has been charged with creating regulations, 540 CMR 400, regarding how the law is applied and who is exempt.

Required vulnerable user protections devices include permanently installed side guard with a ground clearance of less than 13.8 inches, back up cameras, crossover mirror (Similar to those installed on the hoods of school buses) and convex mirrors

The estimated cost to install these devices on towing equipment is \$6,000 to \$8,000 per truck.

While ambulances and fire trucks are exempt, to date MassDOT has not issued an exemption or waiver for towing equipment.

More serious than the fines for non-compliance are the potential monetary damages that could result from a contractor vehicle being involved in an incident where a pedestrian, person on the roadside or bicyclist are injured or killed.

Additionally, there is concern as it relates to insurance coverage as failure to comply with the law may nullify your insurance coverage.

Lastly, the Massachusetts State Police contracts state, "Tow Service Providers shall abide by all applicable motor vehicle laws and regulations...." The law regarding vulnerable use protections falls under M.G.L Chapter 90, Section 7. Failure to comply with the M.G.L's may be considered a breach of contract.

STA Action:

- When MassDOT issued the draft regulations and asked for input/testimony, STA filed written testimony opposing the requirement for towing equipment.
- STA has sent letters to the Secretary of MassDOT, the Secretary of Public Safety, Colonel Mawn of the State Police current, the Governor and Lt. Governor, and the Tow Compliance Unit.
- A letter was also sent to the new MSP Colonel Noble which the Colonel acknowledged. He also provided an update on MSP's actions and concerns regarding the issue.
- Our lobbyist has spoken with MassDOT and the Governor's Office several times on the issue.
- The STA President and Board Members have spoken in person with the Lt. Governor and the Tow Compliance Unit re: the potential impact the requirements will have on emergency towing services.
- To determine the potential impact of this law and accompanying regulations, STA sent out a survey to all Massachusetts's State Police Tow Service Providers. The data from this survey was used to support STA's position regarding the new requirements.

On December 24, 2024, STA received confirmation from MassDOT the enforcement of the requirement that state contractors must comply with the new vulnerable user protection requirements has been postponed until December 31, 2025. STA is continuing to work with MassDOT on a permanent waiver for towing equipment. The waiver should be issued in early 2025.

New for 2025

Advanced Clean Truck (ACT) Rule

Due to an emissions law passed in the mid-1990s that requires our state to follow California's standards, Massachusetts adopted California's Advanced Clean Truck (ACT) rule in December 2021. The ACT rule, which is slated to be implemented in January 2025, will make it more difficult for towing companies to buy the medium- and heavy-duty trucks we need to do our job.

The ACT rule requires manufacturers to sell an increasing percentage of electric medium- and heavy-duty trucks each year from 2025 until



2035. To prevent breaking the law, however, manufacturers are now requiring truck dealers to meet this same standard – meaning that truck dealers must sell electric medium- or heavy-duty truck before they are allowed to order medium- and heavy-duty diesel trucks.

As you know, in towing, there are no electric tow trucks that we can buy. They just do not exist. Even if they did exist and were not two to three times more expensive than a diesel truck, there is no electric infrastructure to support these types of trucks yet. Unfortunately, the problem for the towing industry is that no one – in any industry – is buying electric medium- and heavy-duty trucks. Therefore, due to the ACT rule, truck dealers are unable to sell our industry any diesel medium- and heavy-duty trucks until they sell electric trucks first.

Since no one is buying any type of electric medium- or heavy-duty truck, this means we will not be able to buy new diesel medium- or heavy-duty trucks in Massachusetts next year unless the ACT rule is delayed.

STA Action:

- STA joined a group of over 50 associations, municipalities and companies lobbying our elected officials to delay the implementation of ACT.
- STA has sent letters to key legislators, administrators and the Governor regarding our concerns.
- STA has submitted testimony to MassDEP regarding the impracticality of current EV trucks for the towing industry.
- Our STA lobbyist has met with key legislators and stakeholders advocating our position.
- Several STA Board Members have spoken with the Lt. Governor and key legislators regarding our position.

To date, MassDEP has not delayed implementation of the ACT rule.

Electric Vehicles and Hybrid Electric Vehicles



The towing industry faces new challenges as more and more electric vehicles (EV's) and hybrids (EHV's) take to the roads of the Commonwealth. Fire and police departments have been slow to educate themselves on the challenges towing companies face in towing and recovery these vehicles. This coupled with the limited industry specific information and lack across the board standards for EV's and EHV's make our jobs more difficult.

STA Actions:

- In May 2023, the Academy offered its first ever EV class with instructors from the Energy Security Agency (ESA) and renowned EV towing and recovery trainer, Paul Stevens.
- STA representatives attended and gave input to the MSP focus group on EV towing, recovery and storage to establish protocols.
- In December, the Academy working with industry experts, finalized an EV class curriculum and will be offering EV supervisor and driver training classes in 2025.



Renew Your STA Membership for 2025

It's time to renew your company's STA Membership for 2025. The dues remain the same at \$485 for Regular Members and \$500 for Associate Members.

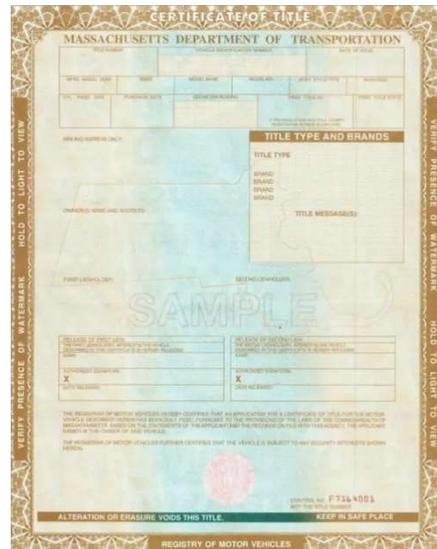
Please mail checks to:
Statewide Towing Association
P.O. Box 637
Amesbury, MA 01913

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RMV Lien Title Processing

On May 20, 2024, The Massachusetts Registry of Motor Vehicles (RMV) instituted a new policy regarding the titling of lien processed vehicles resulting from police ordered tows. The new policy instituted several new requirements and failed to take into account vehicles already part way through the lien process. In addition, the RMV would no longer process these applications for vehicles registered or titled outside of Massachusetts. Even prior to the issuance of the new RMV policy, members had been reporting increased difficulties in obtaining titles to lien processed vehicles.



STA Action:

- In March, April and May 2024, STA reached out to our contacts in the RMV titling division via phone and email regarding issues with obtaining titles to lien processed vehicles. We received no response.
- Upon receipt of the new RMV policy in May 2024, STA asked our lobbyist and our attorney for assistance.
- In June 2024, STA and our attorney met with RMV officials. Our attorney made numerous overtures after the meeting as to any determinations the RMV had made regarding the issues STA identified in the new policy.
- Based on the RMV's lack of response, in August 2024, STA filed a lawsuit against the RMV and a request for a preliminary injunction. The request for a preliminary injunction was denied and the case is scheduled to be heard sometime in April 2025. In the meantime, our attorney has been working with the Attorney General's office to negotiate a settlement. Unfortunately, those talks received a setback due to the potential ramifications of a pending federal court case against the RMV regarding a title that was issued for a lien processed vehicle.

Mass. State Police Contract



In 2018, MSP announced they would be instituting a new contract and bid submission protocol for tow service providers. The first contracts were awarded in early 2020 and contracts continued to be rolled out by Troop. Those first contracts are up for renewal in 2025. The contracts have had a devastating effect on the tow industry. Many tow companies closed because they could not meet the new contract requirements.

STA Actions:

- In 2018 prior to the new contracts, STA reached out to MSP, state administrators and key legislators expressing our concerns regarding the new contract and requesting STA be included in the design process. STA also expressed concern regarding the new contracts' impact on the number of available service providers and potential public safety issues. STA received no response. With the implementation of the current MSP contracts our predictions were validated as the number of TSP's providing service for MSP decreased by 34%.
- In 2019, STA filed suit in federal district court against the MSP, Secretary of Public Safety Turco and Colonel Gilpin alleging the contract "is an unprecedented, usurpation of power by the MSP over towing and recovery companies within the Commonwealth." Our lawsuit was dismissed and the case remanded to state superior court where our lawsuit was unsuccessful.
- Throughout 2019, 2020, 2021, 2022, 2023 and 2024, STA continued to express our concerns via a multitude of letters, phone calls and in person meetings to the Governors (both Baker and Healey), Legislators, MSP, the Secretary of Public Safety, State Administrators and current Lt. Governor. The STA Executive Board, Government Affairs Committee, Board of Directors and Executive Director spent hundreds of hours to make our voice heard.
- Finally in 2024, MSP invited STA to participate in focus groups and give feedback on the issues with the current contract. According to MSP the feedback will be used to design the renewal contracts which will be coming out in 2025.

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Federal Trade Commission Junk Fee's

In November 2023, the Federal Trade Commission issued a Notice of Proposed Rulemaking regarding junk fees. Through the efforts of various trucking industry organizations, comments were filed by Acting Deputy Administrator for the Federal Motor Carrier Safety Administration quoting the 2024 ATRI (American Trucking Research Institute) study on predatory towing and requesting that towing fees be added to the proposed junk fee rules. This would mean towing invoices and the associate fees would be subject to arbitrary definitions for junk fee regulations.

STA Actions:

- Past STA President and then current President of TRAA, Bill Johnson was instrumental in educating the FTC and Federal Highway and the FMCSA as to why towing fees should not be included in the junk fee regulation.
- The STA Executive Board attend numerous virtual meetings and submitted comments on the issue.
- In December 2024, the FTC issued the final junk fees rules. Towing fees were not included in the rulemaking.

Wishing you, your family and your employees a happy, healthy and profitable 2025.

The STA Board of Directors

- *President John Direnzo, Jr.*
- *Vice President Todd Chase*
- *Past President William E Johnson*
- *Secretary Fred Nicolosi*
- *Treasurer Michael Aspesi*
- *Northeast Director Michael Igo*
- *Northeast Director Fran Murray*
- *Central Director Angela Trottier*
- *Central Director James Early*
- *Southeast Director Nathan Buckler*
- *Southeast Director Michael Penacho*
- *West Director Rob Johnson*
- *West Director Brian Fournier*

And Executive Director Kim Lowell

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2024 Year End Lobbyists' Reports

The Glodis Group – Guy Glodis, Lobbyist

Dear STA Membership,

We have had a busy and productive year on the legislative front. Both Mark Molloy and I have worked closely with President Drenzo and the Executive Board on a host of issues ranging from; successful implementation of a much needed rate increase, amending and easing of the State Police bidding contract for our membership, delaying the mandatory and costly implementation of side guards for towing companies doing business with the state and municipalities in 2025, to leading the charge with the Administration on delaying/defeating ACT & HDO.

In addition to those vital issues for the STA, all three of our STA legislative priority bills made it out of Committee favorably this session, and more importantly we defeated bills detrimental to our industry and the STA legislative agenda. We are currently in the process of meeting with legislators to re-file our bills for 2025/26 legislative session. Those bills include HB3698 (Town Lien Reform), HB3692 (Storage Charges), and HB3203 (Reducing Administrative Burdens).

Most importantly, I want to thank President Drenzo and the STA Executive Board for their increased presence and advocacy on Beacon Hill, generous donations and strong presence at various legislative functions, hearings and fundraisers throughout the calendar year.

Despite the many unexpected twists and turns throughout the last year, it was ultimately a successful legislative session. The STA presence and influence in the legislature and Administration has never been greater, and I am confident that progress and success will continue in the 2025/26 legislative session.

Cascade Strategies – Mark Molloy, Lobbyist

As the Massachusetts legislature turns towards the 2025-2026 session, it provides a good opportunity to look back at the previous session's activities. Working in tandem with Guy Glodis (The Glodis Group), Cascade Strategies was able to assist the Statewide Towing Association (STA) on a wide variety of measures on the legislative, regulatory, and procurement front.

Legislatively, the STA's three filed matters, HB3692 / SB2185, An Act Relative to the Maximum Storage Charges on Motor Vehicles Involuntarily Towed; HB 3202 / SB2125, An Act to Reduce Administrative Burdens for Government and Industry; and HB3698, An Act Relative to the Tow Lien Law all received favorable reports while advancing from the Joint Committee on Telecommunications, Utilities and Energy. In addition, working with the STA, we were able to defeat a wide variety of bills that would significantly harmed the towing industry – whether bills that would have forced tow companies to change core business practices (SB2085); mandated the notification of lienholders in addition to owners of towed vehicles (HB370); required commercial vehicles under a certain weight be towed for reduced rates (HB3174) and reduced towing rates during declared emergencies (HB 2060).

Regulatorily, Cascade Strategies, again working in tandem with The Glodis Group, was able to assist the STA in its efforts to increase rates for involuntary towing through the Massachusetts Department of Public Utilities. Such efforts included, but were not limited to, leveraging legislative relationships into support with the Administration. Additionally, significant work was put into seeking amendments to, and exemptions from, the proposed regulations governing the use of sideguards and other safety devices by the Massachusetts Department of Transportation / Massachusetts Registry of Motor Vehicles. Finally, Cascade Strategies worked with the STA to ensure their input on efforts to delay both the Heavy-Duty Omnibus (HDO) and Advanced Clean Truck (ACT) rules, which will have a significant impact on the towing industry.

Procurement-wise, the Cascade Strategies worked with the STA (and coordinated efforts with The Glodis Group) in its efforts to adjust the Massachusetts Department of the State Police's (MSP's) regional contracts for involuntary towing. Said advocacy included a variety of strategy sessions, review and preparation of a variety of correspondence and advocacy items as well as the leveraging of legislative relationships in support of the STA's efforts before the MSP.

The previous year was a very busy advocacy year for the STA on all three fronts. A special shout-out is due the STA's Executive Committee, Executive Director and Board. I work with many excellent associations; the STA continually finds a way to make an impact before state government – in large part due to the work of its leadership and membership!