

Towing and Storage Safety and Enforcement Act Frequently Asked Questions

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Background

What are the changes to Ontario’s legislation and regulations that are impacting the towing and vehicle storage sector?

Oversight of the towing and vehicle storage sector transitioned to the province as of January 1, 2024, replacing municipal regimes.

The [Towing and Storage Safety and Enforcement Act](#) (TSSEA) established a provincial oversight framework for the towing and vehicle storage sector. The Act requires tow operators, tow truck drivers and vehicle storage operators to have a provincial certificate to operate.

The Ministry of Transportation (MTO) implemented TSSEA in several phases:

- **January 1, 2023** (in effect):
 - *Highway Traffic Act* (HTA) [requirements](#) that apply to other commercial motor vehicles and new vehicle requirements for tow trucks (i.e., daily and annual inspections and use of a safety vest) went into effect for tow trucks.
- **July 1, 2023** (in effect):
 - Introduction of three certificate types: Tow Operator, Tow Truck Driver, and Vehicle Storage Operator. On July 4, 2023, the [online application portal](#) launched and industry can apply for a certificate at no cost until July 2024.

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- **January 1, 2024** (in effect):
 - Tow operators, vehicle storage operators and tow truck drivers must now comply with the TSSEA customer protection requirements and industry standards.
 - Introduction of new [TSSEA requirements](#) related to rates charged for towing and vehicle storage services.
 - Tow operators and vehicle storage operators must have a certificate to operate.
 - The provincial oversight framework under TSSEA replaces municipal regimes; operators and tow truck drivers only have to comply with the provincial regime.
- **January 15, 2024** (in effect):
 - Maximum Rate Schedule portal opens to tow and vehicle storage operators, allowing operators to submit their maximum rates to the ministry.
 - Complaints portal opens for customers, law enforcement, municipal authorities, and stakeholders.
- **March 1, 2024**
 - All operators must submit their maximum rates to the ministry's [Maximum Rates Schedule Portal](#) by March 1, 2024.
- **Late March 2024:**
 - Published maximum rates portal scheduled to launch to allow public viewing of an operator's certificate status and their maximum rates for tow and vehicle storage services.
- **April 1, 2024:**
 - All tow trucks must enter truck inspection stations (TISs) for commercial motor vehicle inspections.
 - Period of TSSEA education and awareness ends.
 - Full enforcement of legislative and regulatory requirements under TSSEA begins on April 1, 2024.
- **July 1, 2024:**
 - Tow truck drivers must have a certificate to drive a tow truck.
 - Tow truck drivers applying for a TSSEA certificate on or after July 1, 2024, must complete the required training before receiving a certificate.
 - Certificate fees come into effect:
 - \$575 per year for Tow Operators
 - \$575 per year for Vehicle Storage Operators
 - \$195 every three years for Tow Truck Drivers.

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What is the intended outcome of the TSSEA and its regulations?

The Ontario government has taken strong action to address bad actors in the towing and vehicle storage sector.

The creation of the *Towing and Storage Safety and Enforcement Act* (TSSEA), which received Royal Assent on June 3, 2021, along with a joint forces operation initiative, the [tow zone pilot](#), and the establishment of a towing technical advisory group, are meant to improve oversight of the towing industry and improve customer protections to ensure drivers are treated fairly after they experience a collision or a breakdown.

The TSSEA sets out a provincial certification and enforcement framework for tow operators and drivers and storage operators for the first time. The TSSEA is intended to:

- Promote road user and tow operator safety to prevent deaths and injuries on Ontario's roads.
- Improve customer protections to ensure drivers are treated fairly after they experience a collision or a breakdown.
- Create a level playing field with clear requirements that allow legitimate operators to prosper.
- Enhance intelligence gathering and enforcement and take action against unethical actors.
- Reduce crime and fraud throughout the towing cycle.

The TSSEA will improve provincial oversight of the towing industry by:

- Establishing a certification system that will require tow operators, tow truck drivers, and vehicle storage operators to have a provincial certificate to operate.
- Set out customer protection standards, including procedures for consent forms and invoices, and ensuring rates are charged in accordance with rate schedules.
- Set out industry standards, including requirements for photographs and record keeping, restrictions at collision scenes, and notification procedures.
- Appointing a Director of Towing and Vehicle Storage Standards to oversee the Act and to appoint towing investigators to enforce the Act and investigate complaints.

In conjunction with the Tow Zone Pilot project, Ontario has also created an Organized Crime Towing and Auto Theft Team (OCTATT), led by the Ontario Provincial Police and municipal police services, to curb criminal activity in the towing industry. Both the Tow Zone Pilot and the OPP Towing Program seek to enhance public safety, improve customer protection, and support ethical towing companies. These measures, along

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with TSSEA, will help to establish a comprehensive provincial oversight model for the towing and storage sectors.

Were stakeholders consulted in the development of TSSEA regulations?

Stakeholder engagement has been fundamental to this work. To understand the issues in the towing sector and develop appropriate solutions, MTO has engaged with over one hundred stakeholders for feedback on towing experiences, practices, and potential solutions to help form regulations under the TSSEA.

Our stakeholder group is composed of diverse members drawn from towing and vehicle storage operators, law enforcement, automobile insurance, consumer advisory groups, municipalities, tow dispatch technology providers, and the public. Wherever feasible, MTO has used stakeholders' key considerations and feedback to guide the development of the TSSEA framework and regulatory requirements.

Education and Awareness Period

Is there an educational period?

The ministry recognizes that the transition to provincially led oversight is a significant change to industry. As Ontario transitions to the new oversight model, MTO has encouraged our enforcement partners to, when possible, support the industry's adjustment to the new model by educating the towing sector on the changes coming into effect and directing them to [Towing and Vehicle Storage Requirements](#) to learn more.

The educational and awareness period for TSSEA requirements ends and enforcement of the TSSEA will begin on April 1, 2024.

While most tow and vehicle storage operator applications have been processed and their TSSEA certificates issued, there are a number of outstanding applications currently under review which have not been processed.

As a result, the towing and vehicle storage sector is advised that:

- Tow and vehicle storage operators who have applied for a TSSEA certificate that has not yet been issued should be prepared to present law enforcement with the email receipt they received from the ministry as proof of application. This may be presented electronically or in printed form.
- Sector-specific requirements are available at [Towing and Vehicle Storage Requirements](#) to better inform industry of their obligations under TSSEA.
- The sector must continue to prepare to comply with all of TSSEA's requirements, including applying for a tow and vehicle storage operator certificate and submitting your maximum rates schedule to the ministry. You may submit your rates through the self-serve portal beginning January 15, 2024.

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Effective July 1, 2024, tow truck drivers must have a certificate to drive a tow truck. Tow truck drivers applying for a TSSEA certificate on or after July 1, 2024 must complete training requirements prior to receiving a certificate. Tow drivers are encouraged to apply now.

Certification Requirements

Do I need a TSSEA certificate?

Tow Operators:

The TSSEA requires that a person who offers or provides towing services be certified. “Towing services” includes “towing, recovery or transportation in respect of motor vehicles that are disabled, abandoned, impounded, seized, damaged, incomplete or inoperable or that require removal from a location for any other reason.” The requirement that a person who offers or provides towing services be certified applies whether towing is performed for customers or for the tow operator’s own purposes.

If an out of province operator provides towing services that originate in Ontario, they would need a tow operator certificate. Towing originating outside of Ontario and dropping in Ontario, or passing through Ontario, is not subject to certification if the tow truck is registered in a province, territory, or state other than Ontario and the tow operator or tow truck driver resides in that province, territory or state.

Tow Truck Drivers:

The TSSEA requires that “a person who drives a tow truck for the purpose of providing towing services” be certified. This applies whether towing is performed for customers or for the tow operator’s own purposes.

Towing originating outside of Ontario and dropping in Ontario, or passing through Ontario, is not subject to certification if the tow truck is registered in a province, territory, or state other than Ontario and the tow operator or tow truck driver resides in that province, territory or state.

Vehicle Storage Operators:

The TSSEA requires that a person who offers or provides vehicle storage services be certified. “Vehicle storage services” means “the receiving and holding of towed motor vehicles” but does not include “a lot used by a vehicle repair business, if the storage is ancillary to repairing the motor vehicle and provided at no cost to the vehicle owner or its operator.”

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Municipal Relationship

What role do municipalities have in towing and vehicle storage oversight?

The [Towing and Storage Safety and Enforcement Act](#) (TSSEA) and its regulations established a uniform towing and vehicle storage oversight and licensing regime for Ontario, replacing a patchwork of municipal licensing systems.

Amendments to the [Municipal Act](#) (MA) and the [City of Toronto Act](#) (COTA) on January 1, 2024, removed the authority to license the towing and vehicle storage sector from municipalities; however, municipalities may still establish and maintain a tow rotation, and/or develop and administer by-laws related to parking and towing from a parking lot within their municipal boundaries.

Municipalities retain the authority to pass and enforce by-laws related to zoning requirements, parking or leaving a motor vehicle on lands either owned by a municipality or private property, including parking lots. This authority includes the power to provide for the removal and impoundment of a motor vehicle parked or left in contravention of a by-law. It is up to the municipality to make decisions about local matters and how they will apply their authority, including whether to enact by-laws. Towing from private parking lots can be performed in accordance with local parking rules, as directed by a police officer or other person with authority to direct an impound.

While TSSEA enhances consumer protection for customers of towing and vehicle storage services, such as requiring consent or official direction to initiate a tow, it does not contain parking laws.

To help reduce burden to industry, amendments have removed municipal licencing of the towing and vehicle storage operators so that the sector is not required to apply for two licences/certificates and adhere to multiple differing requirements and pay multiple fees.

Consent

When is consent required and what must be recorded?

The [Towing and Storage Safety and Enforcement Act](#) (TSSEA) and [Ontario Regulation 167/23-General](#) establish consent requirements for towing services. Unless directed by police or other person with authority to give the direction to tow a vehicle, customer consent is required.

The ministry has not developed a template consent form, rather tow operators have the flexibility to develop their own form in accordance with the TSSEA that meets their own operational needs. It should be emphasized that while either verbal or written consent is

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permissible, in all cases where consent is required, consent must be recorded in accordance with the requirements of [Section 33](#) of *Ontario Regulation 167/23—General*, and customers must receive a copy of that record. TSSEA does not specify when written or verbal consent should be used, or whether written consent is received electronically or on paper. Please note that in the case of a verbal consent, a customer’s signature would not be expected on the consent document.

In both situations, whether consent is required or not, the towing service provided is required to be documented on the driver’s run sheet, set out in [Section 19](#). Both the run sheet and documentation of consent must be retained for two years.

Please note that if an operator is also requesting consent to store a motor vehicle, the documentation of that consent must be separate from the consent to tow document.

What information must be provided to a customer when obtaining their consent to tow a vehicle?

Before obtaining consent, tow drivers and operators must provide a customer with the specific wording set out in [Schedule 2](#) of the regulation (“Wording to be Provided re Consent”) and a copy of the operator’s Maximum Rate Schedule.

Invoices

What information must be included on an invoice?

The [Towing and Storage Safety and Enforcement Act](#) (TSSEA) and [Ontario Regulation 167/23-General](#) establish invoice requirements for towing services.

Invoices for towing services shall include the information itemized in [Section 35](#), “Invoices”. This information includes:

- Details of the services provided including date, time and location
- Details of the tow operator, tow truck driver and vehicle storage operator, as applicable, including their name and certificate number
- Amounts charged.

No request for payment of any amount in relation to the provision of services shall be made before the services are provided or before a copy of the invoice for the services is provided to the vehicle owner or its operator. A receipt shall be given to a payor at the time of payment for towing services or vehicle storage services.

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Maximum Rates Schedule

Beginning January 15, 2024, both tow operators and vehicle storage operators are required to submit their maximum rates to MTO through the ministry's Maximum Rates Schedule Portal. Each operator's maximum rate schedule will then be published online and can be viewed by the public. An operator must submit their maximum rates to the ministry's Maximum Rates Schedule Portal by March 1, 2024.

The maximum rate schedule form identifies which tow and storage services can be provided for a charge and was developed in consultation with industry stakeholders, and in accordance with [Ontario Regulation 162/23-Charges for Towing and Vehicle Storage Services](#).

Once an operator's rates are submitted, they are free to update them whenever they choose; however, updating an existing rate requires 30 days before the updated rate becomes effective.

Please note that under the [Towing and Storage Safety and Enforcement Act](#) (TSSEA):

- Operators cannot charge for a service unless it appears on their maximum rate schedule and must not charge more than their published maximum rate for any service.
- If tow and storage operators provide a service, they must submit their maximum rate using the self-service portal or their default rate will be \$0.
- Customers must receive a copy of the maximum rate schedule before consenting to a tow.
- Tow operators must display their current maximum rate schedule at all locations open to the public.
- Vehicle storage operators must display their current maximum rate schedule at all premises where vehicles are stored.

Operators are encouraged to review the [maximum rate schedule form](#) now to determine the appropriate maximum rates for your business.

Operators are not permitted to charge for:

- Fuel surcharges.
- An amount arising from any towing service that takes longer than usual because of defects associated with the tow truck or inefficiencies caused by the actions of the tow operator or tow truck driver.
- An amount for services, including equipment and resources used to provide a service, that are unnecessary for a towing service being provided.

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- Transporting the driver and any passengers of a towed motor vehicle in the tow truck to the destination of the tow or other drop-off location.
- Allowing the driver or any passenger of a towed motor vehicle to have access to it while providing towing services.
- Changing the destination of a tow, other than an amount related to the change in distance that a motor vehicle is towed if the destination is changed.
- Vehicle storage services after an authorized person has made a *good faith attempt* to retrieve the vehicle.
- Providing access to or release of a stored motor vehicle when the vehicle storage yard facility is open for business.
- Preparing or cleaning storage spaces in a vehicle storage yard facility.
- Moving a motor vehicle within a vehicle storage yard facility or between vehicle storage yard facilities unless the move is requested by the owner or operator of the motor vehicle.
- Preparing invoices, consents or other administrative services related to the towing or vehicle storage services.

What should I consider in determining my maximum rates?

Maximum rates for towing services are determined, individually, by tow operators.

Maximum rates for vehicle storage services are determined, individually, by vehicle storage operators.

These rates are submitted by the operator and published by the ministry.

Operational costs, such as those related to administration, labour and staffing, consumable materials and supplies, fuel, tolls, equipment and facility cleaning, property and equipment maintenance, special towing considerations, and special storage considerations should be reflected in your maximum rates for towing and vehicle storage services.

When determining your maximum rates for a particular towing service, such as a Basic Tow, consider the costs of each tow truck in your fleet providing that service. You should ensure that the maximum rates you file reflect your potential operational costs.

How will MTO evaluate my maximum rates?

The maximum rates provisions of TSSEA, which came into effect on January 1, 2024, governs the rates that operators may charge. Though rates are not individually approved, the Director of Towing and Vehicle Storage Standards has authority to identify unreasonable rates and intervene, including the authority to reject unreasonable rates and require that lower rates be submitted.

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TSSEA requires that in identifying an unreasonably high rate, the Director of Towing and Vehicle Storage Standards consider current or previous comparable rates in the same geographic region, comparable rates authorized for restricted towing zones, required time, labour, and expertise, required equipment, and the importance of the service being available to members of the public with limited means.

How does the Maximum Rate Schedule work for Tow Operators?

The Maximum Rate Schedule separates charges for towing services and recovery services.

Towing services are those services where recovery services are not applicable. When recovery services are not required, towing is charged by a flat rate, and for towing further than a Basic Tow, a kilometric rate.

When a tow truck provides recovery services and subsequently tows the recovered motor vehicle, hourly charges apply from the time the tow truck is dispatched. Recovery service tow truck rates are based upon the certified capacity of the tow truck, or tow trucks, responding. When recovery rates apply, towing service rates do not apply — all work, travel and stand-by time is captured under the appropriate recovery rate.

What are “recovery services”?

[Ontario Regulation 162/23-Charges for Towing and Vehicle Storage Services](#) defines recovery services as:

Specialized services, including the use of extraction devices, winches and skilled personnel, that are required to relocate or reposition a motor vehicle to prepare it for towing but does not include the use of standard towing equipment in respect of an upright motor vehicle that is located, (a) in a parking lot or on private property, (b) on a roadway or shoulder, or (c) at a location where it can be returned to a roadway or shoulder by using, (i) standard towing equipment, or (ii) a winch, if the distance that the motor vehicle is required to be moved by the winch is less than five metres.

For example, recovery services would include righting an overturned car, winching it farther than five metres, or using other specialized equipment or personnel to recover it.

What about stand-by time?

When towing services are provided and emergency personnel direct the tow truck driver to stand-by, the time spent standing by is billed in 15-minute increments based upon an hourly rate.

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When recovery services require the tow truck driver, or other recovery equipment operator or recovery labour to stand by, this is reflected in the hourly rate filed for that maximum rate schedule item.

How does the Maximum Rate Schedule work for Vehicle Storage Operators?

The Maximum Rate Schedule separates charges for indoor storage and outdoor storage, based upon the length of the stored vehicle. It also provides for charging for after-hours access to a vehicle.

Vehicle storage rates are based on a daily rate. Charges for the first day of storage are prorated on an hourly basis and each subsequent day of storage is charged the full daily rate.

For example, storage charges for a motor vehicle stored for five hours (7 p.m. to midnight) on DAY 1, and for 14 hours on DAY 2 (released at 2 p.m.), would be calculated as follows based upon a \$70 daily rate.

Note that the prorated daily rate in this case would be \$2.92/hour (\$70/24).

| Day | Vehicle Storage Service | Charges |
|-----------------------------------|------------------------------|---------|
| DAY 1: | 5 hours storage (\$2.92 X 5) | \$14.60 |
| DAY 2: | daily storage | \$70.00 |
| Total storage charge before taxes | | \$84.60 |

How should a vehicle storage operator determine their maximum rates?

The Maximum Rate Schedule allows vehicle storage operators to charge rates for storage based on the stored motor vehicle's length, and whether storage is provided inside or outside.

Vehicle storage operators should consider their operational costs when determining their rates.

Can I charge to provide after hours access to a stored motor vehicle?

Yes. [Ontario Regulation 162/23-Charges for Towing and Vehicle Storage Services](#) allows for charging to provide access to a stored motor vehicle except during 8 a.m. to 6 p.m. Monday to Friday and 9 a.m. to 12 p.m. Saturday.

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Are there any restrictions on charging for tow and vehicle storage services?

Operators cannot charge for a service unless it appears on their Maximum Rate Schedule and must not charge more than their published maximum rate for any service.

Operators cannot charge a person a higher rate if a lower rate has already been arranged with an [authorized person](#).

Can an operator charge less than their published rate?

Yes, operators may charge less than their published maximum rate. Though not intended to create an identical amount to be charged to every customer, filing maximum rates should allow operators to recover costs in providing services in all situations. It is not expected that every occasion where service is provided would require the operator to charge the maximum rate.

What if operational costs for tow or vehicle storage operators increase?

Operators are free to adjust their rates filed with the ministry to reflect changing operational costs. Aside from a 30-day holding period occurring when rates are updated by an operator, there is no restriction as to the number of times an operator may update their rates.

Is charging for the cost of lien searches prohibited?

Lien search costs are not considered “administrative services” related to either towing services or vehicle storage services. Charging for lien search costs is not prohibited by the TSSEA.

How do I charge for roadside services?

Roadside services, such as lockout assistance, fuel delivery, battery boosts, electric vehicle charging, and tire changes are not considered towing services and are not subject to TSSEA or maximum rates.

Please note, roadside services are not permitted in the Restricted Towing Zones.

How do I charge when I move a vehicle or freight using a trailer?

Moving vehicles or goods on or within a trailer is not considered towing and the TSSEA rates requirements do not apply.

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Does TSSEA guarantee payment for services?

There are no provisions in the TSSEA to guarantee payment for providing towing or vehicle storage services, nor are there provisions to resolve payment disputes.

What is the difference between the Provincial Highway Incident Management Limited Financial Protection Program and TSSEA?

The Provincial Highway Incident Management Limited Financial Protection Program is intended to compensate tow operators for eligible losses arising from unpaid charges

TSSEA is the regulatory framework for towing and vehicles storage in Ontario. TSSEA's objective is to provide customer protection and increase safety within this sector.

How would a customer use the maximum rate schedule?

Customers must receive a copy of an operator's Maximum Rate Schedule before consenting to a tow, and customers should review the schedule before signing a contract to tow.

Customers will be able review and compare all operators current Maximum Rate Schedules on the ministry's portal launching in late March 2024. Also, operators must post their current Maximum Rate Schedule at their premises and on any website or social media they use.

How do I log into the self-service portal to file my maximum rates?

Access to the self-service portal (where you can enter your maximum rates online) is granted only to the email address that is listed on the towing or vehicle storage record with the ministry. Please take note that this would be the same email address that your certificate was sent to. If you log in with any other email other than the email listed on the record, you will receive an "Unauthorized Access". If you receive this message, please register again using the correct email that is listed with the ministry.

[Submit tow and vehicle storage rates | ontario.ca](https://ontario.ca)

Additional Information

Can I continue to take passengers in the tow truck?

The [Towing and Storage Safety and Enforcement Act](#) (TSSEA) and its regulations do not require that a tow operator transport its customers as passengers, nor does it prevent tow operators from doing so. Generally, the TSSEA does not prevent passengers from riding in a tow truck. However, the tow driver must record the name and reason for any non-customer passenger riding in the tow truck on their run sheet.

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The TSSEA prohibits tow truck drivers from allowing a person to travel in the tow truck for the purpose of attempting to sell towing or vehicle storage services, or any other products and services, to any person who was the driver of or a passenger in the vehicle being towed.

Who is authorized to request release of a stored vehicle?

A vehicle owner or their representative, the operator of the vehicle, or a representative of the vehicle owner's insurance company are each authorized to request the release of a stored motor vehicle.

Vehicle storage operators must make reasonable efforts to facilitate the release of the stored motor vehicle "promptly" when they are open for business, and "as soon as practicable" if they are closed.

Is my vehicle storage facility required to have certain hours of operation?

No. Although Section 27 of [Ontario Regulation 167/23-General](#) requires that vehicle storage operators make reasonable efforts to release a stored motor vehicle, it does not require certain hours of operation.

Can I use email and keep electronic records?

Yes. The [Towing and Storage Safety and Enforcement Act](#) establishes that "anything that any person is required" to do, such as obtaining consent or keeping records, "may be done or provided by electronic means or in an electronic format".

Who can I contact for more information or if I have any questions about the changes affecting the tow sector?

For more information about Ontario's requirements for the towing sector and operating commercial vehicles, the following reference materials are available to you:

- [Ontario.ca/towstoragecertificate](https://ontario.ca/towstoragecertificate)
- [Towing and Vehicle Storage Requirements](#)
- [Know Your Rights When Getting a Tow](#)
- [Ontario.ca/TowStorageRates](https://ontario.ca/TowStorageRates)
- [Towing and Storage Safety and Enforcement Act](#)
- [Ontario Regulation 167/23: General](#)
- [Ontario Regulation 162/23: Charges for Towing and Vehicle Storage Services](#)

Members of the public are also welcomed to submit inquiries to towing@ontario.ca.