

Community Services Report to
Community Development Committee
2025 February 06

ISC: UNRESTRICTED
CD2025-0010

Addressing Predatory Tow Truck Behaviour

PURPOSE

The purpose of this report is to provide recommendations to amend the Calgary Traffic Bylaw and the Street Bylaw to address predatory behaviours by tow truck operators at motor vehicle collisions and incidents.

PREVIOUS COUNCIL DIRECTION

On 2024 November 26, Council directed Administration to address predatory behaviours by towing companies at vehicle collisions including amendments to regulations as appropriate (EC2024-1248). Background and Previous Council Direction is included as Attachment 1.

RECOMMENDATIONS:

That the Community Development Committee recommend that Council:

1. Give three readings to the proposed bylaw, in Attachment 3, to amend the Calgary Traffic Bylaw and the Street Bylaw; and
2. Direct Administration to explore advocacy opportunities with the provincial government that would help to further address predatory tow truck behaviour.

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

GM Katie Black concurs with the content of this report.

HIGHLIGHTS

- There is a growing local trend where some tow truck operators show up at collision scenes without being called, impeding first responders' ability to help accident victims, intimidating customers, and charging exorbitant fees. This behaviour poses safety risks to the public and first responders.
- The proposed amendments to the Calgary Traffic Bylaw and the Street Bylaw provide a tool for Calgary Police and Community Peace Officers to use at motor vehicle collisions or other motor vehicle incidents to deter predatory tow truck behaviour.
- The primary element of the proposed amendment in the Calgary Traffic Bylaw is a 200 metre zone wherein no towing service vehicle can enter without permission from an Officer, member of the Calgary Fire Department, or the owner or operator of a vehicle involved in the collision or incident.
- The fine structure outlined in the proposed bylaw amendment is intended to provide an effective deterrent to disruptive and aggressive behaviours by chaser or poacher tow truck operators.

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DISCUSSION

This report and its attachments outline the proposed amendments to the Calgary Traffic Bylaw and the Street Bylaw to alleviate predatory tow truck behaviour in Calgary. Administration conducted a jurisdictional scan of other Canadian municipalities to see how the tow truck industry is regulated in other jurisdictions. It is included as Attachment 2.

According to the Calgary Police Service and the Calgary Fire Department, predatory behaviour by towing companies has increased in the last few months. The Calgary Fire Department, who is typically first on scene, state its personnel have witnessed predatory tow truck behaviour regularly at accident scenes they attend. The Calgary Police agree, but they have recently seen a decline as tow companies are now attempting to avoid the police.

Predatory tow truck behaviour has become an increasingly lucrative business for some opportunistic truck operators. These tow truck operators are charging customers thousands of dollars in towing, mileage, storage and administrative costs, among other fees. According to Calgary Police, predatory tow truck companies are charging between \$3,000-\$5,000 per incident, with the average being \$4,000 per incident. This is 11 times higher than the normal cost for a 50 kilometer towing charge. In addition, some tow companies have been using private impound lots that are not secure and property has been stolen from vehicles while in their custody.

In some cases, tow truck operators are intimidating customers involved in motor vehicle collisions or incidents into using their tow services. In addition, some tow truck operators have been harassing first responders on the scene of a motor vehicle collision impeding their ability to help the victims of the incident. Tow truck operators have been arrested at some collision scenes for this behaviour.

The Notice of Motion adopted by Council on 2024 November 26, directed Administration to bring forward amendments to address this predatory behaviour by potentially including amendments to the Business Licence Bylaw. Administration is not recommending amendments to the Business Licence Bylaw as licensing and regulating the tow truck industry is under provincial jurisdiction. As such, Administration is recommending an advocacy position to encourage the Government of Alberta to regulate the tow truck industry to protect Alberta drivers from fraud as well as to address any instability with automobile insurance rates across the province due to fraudulent activity.

In the absence of a provincial regulatory regime, and to address predatory tow truck behaviour municipally, Administration is proposing amendments to the Calgary Traffic Bylaw and Street Bylaw with a recommendation that the amended bylaws come into effect immediately. The proposed wording to amend the Calgary Traffic Bylaw and the Street Bylaw is included as Attachment 3. Highlights of the proposed amendments are listed below:

Calgary Traffic Bylaw	
Definition of "towing service vehicle"	<ul style="list-style-type: none">• A motor vehicle designed, modified, configured or equipped to tow another motor vehicle.

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Towing service vehicle restrictions	<ul style="list-style-type: none"> • Not to be within 200 meters of the scene of a motor vehicle collision or motor vehicle incident unless invited or requested. • The operator of the towing service vehicle has to demonstrate that they were invited or requested to attend. • Exemption from parking provisions amended. • Sections added to reflect what constitutes a towing service vehicle.
Tow truck company owner liability	<ul style="list-style-type: none"> • Added provisions to include no stopping.
Fine	<ul style="list-style-type: none"> • \$10,000 per offence.
Street Bylaw	
Soliciting and selling	<ul style="list-style-type: none"> • Amendment to align with the new rules in the Calgary Traffic Bylaw.

With respect to the specified penalty of \$10,000 listed in the Calgary Traffic Bylaw, this is the maximum allowable fine a municipality can implement. Instead of providing escalating fine amounts for repeat offenders as directed in the Notice of Motion, Administration believes a single maximum penalty will be more effective given the aggressive nature of predatory tow truck operators. The high monetary value of the proposed fine provides a significant deterrent to such behaviour, is easy to understand and promotes education of the issue for tow truck operators and consumers.

These amendments would provide the Calgary Police Service and Community Safety Peace Officers with an enforcement tool when attending motor vehicle collisions or other motor vehicle incidents.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <input type="checkbox"/> Public engagement was undertaken | <input type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

IMPLICATIONS

Social

Preventing predatory tow truck behaviour strengthens the healthy development, wellbeing and safety of the community and of all Calgarians. These proposed amendments provide a tool so the Calgary Police Service and Community Safety Peace Officers can maintain public safety and security while addressing risks and vulnerabilities for those involved in vehicle collisions and motor vehicle incidents.

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Environmental

Compliance and enforcement of an amended bylaw addressing predatory tow truck behaviour can help to address congestion concerns and reduce unnecessary idling.

Economic

Effectively managing predatory tow truck behaviour reduces the excessive fees for Calgarians who are the victims of predatory tow truck behaviour.

Service and Financial Implications

No anticipated financial impact

There is no anticipated impact to the operating budget from approving the proposed bylaw amendments. Costs associated with the required bylaw amendments can be absorbed by the existing operating budget of the Calgary Police Service and the Emergency Management & Community Safety business unit.

RISK

If Council decides not to approve the proposed bylaw changes, there is a risk Calgarians will be taken advantage of by predatory tow truck operators and first responders will continue to be harassed while responding to motor vehicle collisions and other motor vehicle incidents.

ATTACHMENTS

1. Background and Previous Council Direction
2. Jurisdictional Scan
3. Proposed Wording to Amend the Traffic and Street Bylaws
4. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Katie Black, General Manager	Community Services	Approve
Doug Morgan, General Manager	Operational Services	Approve
Erendira Cervantes-Altamirano, Director	Community Services	Consult
Troy McLeod, Director	Mobility	Consult
Jill Floen	Law Department	Inform

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