



## APPENDIX 1 – Summary of Proposed Regulatory Requirements

The government introduced the [Towing and Storage Safety and Enforcement Act, 2021](#) (TSSEA), as Schedule 3 to the *Moving Ontarians More Safely Act, 2021*. The Act received Royal Assent on June 3, 2021. The TSSEA is enabling legislation, which grants the government authority to develop regulations to implement the Act. The Act is intended to come into effect once these regulations have been developed.

At a high level the regulations are intended set out:

 Requirements for Industry to Follow	 How the Act Will Be Overseen
<ul style="list-style-type: none"><li>• Establishes a certification system that will require tow operators, tow truck drivers, and vehicle storage operators to have a provincial certificate to operate.</li><li>• Allows for the development of standards of practice for certificate holders, including standards to strengthen and improve protections for the public and standards for roadside behaviour.</li><li>• Allows for the establishment of minimum vehicle and equipment requirements.</li></ul>	<ul style="list-style-type: none"><li>• Creates a Director of Towing and Vehicle Storage Standards role to oversee the Act.</li><li>• Sets out powers to create towing inspectors to enforce the Act and investigate complaints.</li><li>• Establishes sanctions and enforcement options for various offences under the Act.</li><li>• Allows for the establishment of a complaint resolution process.</li><li>• Establishes administrative monetary penalties.</li></ul>

The regulatory oversight of the towing and storage industry will continue to evolve after the initial program implementation. For example, TSSEA allows for additional oversight that is not included in this proposal such as oversight of refunds to customers and setting maximum rates for towing or storage services. Any future modifications to the program would require further consultation.

Below is a description of proposed regulatory requirements that are subject to change (This excludes legislative requirements already under the TSSEA). The Ministry anticipates 6,000 applicants for the three different certificate types (tow operator, tow truck driver and vehicle storage operator).

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To help ensure that the requirements found below do not apply to services that are outside of the intended scope of the TSSEA, the Ministry is considering exemptions to all or part of the requirements. This may include towing and storage services where:

- Vehicles are stored or towed at no cost to a vehicle owner or insurance provider,
- Vehicles are not retrieved from the roadside, or
- Stored vehicles that are not returned to a customer.

Certification	Record keeping	Vehicle requirements	Industry standards	Customer protection
<b>Tow operators</b>				
<p>To obtain a certificate, must:</p> <ul style="list-style-type: none"> <li>• Provide legal name and contact information</li> <li>• Pass a criminal record and judicial matters (CRJMC) check (company officers)</li> <li>• Disclose affiliations and a list of all related businesses or premises owned/used (inclusive of towing, storage, or repair companies).</li> <li>• Submit rate sheet/schedule of maximum fees</li> <li>• Hold a CVOR certificate</li> <li>• Pay application and renewal fees</li> </ul>	<p>To keep the following records:</p> <ul style="list-style-type: none"> <li>• Proof of insurance</li> <li>• Lease agreements</li> <li>• List of all drivers and vehicles covered under the insurance policy</li> <li>• Inspection and maintenance logs for each tow truck</li> <li>• For each tow completed: consent form, estimate, invoices, any receipts issued to the customer, photographs, and description of tow (origin, destination, time, vehicle plate number)</li> <li>• Documents related to customer complaints</li> </ul>	<ul style="list-style-type: none"> <li>• Daily vehicle inspections and associated recordkeeping</li> <li>• Annual vehicle inspection completed by a Motor Vehicle Inspection Station</li> <li>• Load security requirements, with specific requirements for the towed vehicle</li> <li>• Towing accessory component requirements</li> <li>• Installation and use of amber lights</li> <li>• Vehicle markings not less than 8cm in a contrasting</li> </ul>	<p>Must:</p> <ul style="list-style-type: none"> <li>• Ensure that an appropriate vehicle and equipment are used and not attempt to provide service using inadequate or unsafe equipment</li> <li>• Accept multiple forms of payment: cash, debit/credit card, and certified cheques</li> <li>• Provide a copy of all documents signed by the customer to the customer</li> <li>• Ensure employees adhere to the Act</li> </ul> <p>Shall not:</p> <ul style="list-style-type: none"> <li>• Vary the fees charged for similar jobs based on how costs will be paid</li> <li>• Offer or provide a service under another operating or business name or contact information.</li> </ul>	<p>Charges:</p> <ul style="list-style-type: none"> <li>• Must charge in accordance with the rate schedule provided to the Ministry</li> </ul> <p>Consent:</p> <ul style="list-style-type: none"> <li>• Consent can be given by the vehicle owner or authorized operator</li> <li>• Consent must be provided in writing</li> <li>• Consent to store must be provided separately from a consent to tow</li> <li>• Consent form needs to contain certain information (e.g., contact info, tow destination, standard list of fees, signature line)</li> <li>• Exemptions include tows or impounds authorized by other provincial Acts or bylaws (to be aligned with current CPA regulations)</li> </ul> <p>Estimates:</p>

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<p>Can appeal certificate decisions or actions against a certificate to the Licence Appeal Tribunal (LAT)</p>	<ul style="list-style-type: none"> <li>Records of damage to a customer's vehicle</li> <li>Schedule of rates</li> </ul> <p>Records may be kept in an electronic format and are only to be submitted to MTO on request (e.g., during an investigation or audit)</p> <p>Must notify MTO of:</p> <ul style="list-style-type: none"> <li>Substantial changes to information provided as part of a certificate application/renewal, or condition of a certificate</li> </ul>	<p>colour e.g., company name, phone number, and a unique identifier for each tow truck.</p> <ul style="list-style-type: none"> <li>Operator certificate carried in the vehicle.</li> <li>Prescribed safety equipment i.e. flares or cones</li> </ul>	<ul style="list-style-type: none"> <li>Permit an individual who has not been certified as a tow truck driver to offer or provide tows</li> <li>Knowingly permit an employee to operate a tow truck while not legally permitted</li> </ul>	<ul style="list-style-type: none"> <li>Must provide an estimate to a customer before providing any services for which they intend to charge a fee</li> <li>Fees charged cannot exceed the estimate by more than 10%</li> <li>Estimates can only be modified if the customer requests a change</li> <li>Estimate form needs to contain certain information (e.g., contact info, tow destination, standard list of fees, estimated fee, signature line). Can be combined with the consent form</li> <li>Estimates are not required if the tow is lawfully initiated without a customer's consent under another Act or bylaw</li> </ul> <p>Invoices:</p> <ul style="list-style-type: none"> <li>Must be provided at completion of tow</li> <li>Must include location where vehicle was picked up and dropped off, applicable rates for services provided, and the total amount owed</li> <li>Tow operators' estimate/contract forms can double as invoices if they contain a separate signature line indicating the work was completed, and the amount charged is the same as the estimate.</li> </ul> <p>Referrals:</p>

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				<ul style="list-style-type: none"><li>• No referrals may be provided to a customer for a salvage yard, repairer, storage yard, garage, legal service, healthcare service, rental car service, or vehicle sales operation unless requested by the customer</li><li>• Certificate holders cannot receive or pay a fee in exchange for referring a client to a provider of identified services</li><li>• If a customer requests a recommendation, a certificate holder must inform the customer of any business relationships they have with the service for which they are referring</li></ul>

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<b>Tow Truck Driver</b>				
<p>To obtain a certificate, must:</p> <ul style="list-style-type: none"> <li>• Provide legal name and contact information</li> <li>• Pass a CRJMC check (precluding offences TBD)</li> <li>• Hold a valid driver's licence (minimum Class G)</li> <li>• Complete Ministry-approved driver training</li> <li>• Pay application and renewal fees</li> </ul> <p>Can appeal certificate decisions or actions against a certificate to the LAT</p>	<p>Record keeping is the responsibility of the tow operator for which the driver provides service.</p> <p>Must notify MTO of:</p> <ul style="list-style-type: none"> <li>• Substantial changes to information provided as part of a certificate application/renewal, or condition of a certificate</li> </ul>	<p>Ensuring vehicles meet the requirements is the responsibility of the tow operator for which the driver provides service.</p> <p>A driver is responsible to ensure the safe operation of the vehicle i.e. the vehicle meets regulatory requirements, inspections completed, proper use of equipment and lighting.</p>	<p>Must:</p> <ul style="list-style-type: none"> <li>• Carry proof of insurance and the tow driver certificate, and must provide these to police/enforcement officers or investigators on request</li> <li>• Take precautions not to damage vehicles</li> <li>• Take the most direct route to the vehicle drop-off location</li> <li>• Maintain professional conduct</li> </ul> <p>Shall not:</p> <ul style="list-style-type: none"> <li>• Operate a tow truck that is unsafe, defective, or does not meet the prescribed vehicle standards</li> </ul>	<p>Same requirements related to rates, consent, estimates, invoices, and referrals as the tow operator</p> <p>Other requirements:</p> <ul style="list-style-type: none"> <li>• Must provide the person who requested the tow with written information including the driver's name, tow operator's name and contact information, and any customer awareness document that may be prescribed by the Director</li> <li>• Must take photographs of the vehicle prior to initiating the tow, or at the first safe opportunity.</li> <li>• Must take the vehicle to the location requested by the customer, except when the tow or impound is required by other Acts, bylaws or regulations. If the tow is initiated without the express consent of the vehicle owner, driver must deliver the vehicle to the nearest open certified storage facility, notify the person who authorized the tow (if applicable), and record their contact information</li> <li>• May move a vehicle to an interim location for safety, but that secondary location must be reasonably close, and additional</li> </ul>

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				<p>fees cannot be charged related to the interim location</p> <ul style="list-style-type: none"><li>• Must contact vehicle owners if the vehicle is delivered to a location other than what was identified on an estimate/ contract provided to the person who initiated the tow</li><li>• Must provide storage operators with contact information the client provided on the tow estimate/ contract</li><li>• Passengers are permitted in a tow truck only if their vehicle is being towed; they are participating in on-the-job training; the tow truck is being driven for a purpose other than towing a customer's vehicle or seeking to provide towing services; and the persons involved consent to the passenger.</li><li>• Must not charge additional fees when the tow destination is changed and contract amended, other than those related to the distance a vehicle is towed.</li></ul>

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<b>Storage operators</b>				
<p>To obtain a certificate, must:</p> <ul style="list-style-type: none"> <li>• Provide legal name and contact information</li> <li>• Pass a CRJMC check (all company directors)</li> <li>• Disclose affiliations and a list of all businesses or premises owned/used (inclusive of towing, storage, or repair companies).</li> <li>• Provide a list of any other businesses operating on the premises</li> <li>• Submit rate sheet/schedule of maximum fees</li> <li>• Pay application and renewal fee</li> </ul> <p>Can appeal certificate decisions or actions against a certificate to the LAT</p>	<p>To keep the following records:</p> <ul style="list-style-type: none"> <li>• Proof of insurance</li> <li>• Lease agreements</li> <li>• For each vehicle stored: consent form, invoices, any receipts issued to the customer, any notices sent to the customer, and photographs</li> <li>• Documents related to customer complaints</li> <li>• Records of damage to a customer's vehicle</li> <li>• Schedule of rates</li> <li>• Proof of compliance with any applicable municipal zoning and site requirements</li> </ul> <p>Records may be kept in an electronic format and are only to be submitted to MTO on request (e.g., during an investigation or audit)</p> <p>Must notify MTO of:</p> <ul style="list-style-type: none"> <li>• Substantial changes to information provided as part of a certificate application/renewal, or condition of a certificate</li> </ul>	N/A.	<p>Must:</p> <ul style="list-style-type: none"> <li>• Accept multiple forms of payment: cash, debit/credit card, and certified cheques</li> <li>• Provide a copy of all documents signed by the customer to the customer</li> <li>• Post the operator certificate in a visible place at each business location</li> <li>• Immediately release a vehicle if requested by the authorized party or owner and a bonafide attempt to pay the allowable outstanding fees is made</li> <li>• Make reasonable efforts to meet the customer at the facility and facilitate the return of the vehicle within the same business day the customer requests it</li> <li>• Take photos upon arrival of each vehicle that clearly depict the condition of its front, sides, and rear</li> <li>• Document information received from a tow truck driver or customer</li> </ul>	<p>Notification:</p> <ul style="list-style-type: none"> <li>• Must initiate steps to notify the vehicle owner within 24 hours of receiving a vehicle for storage. Only one day of storage fees may accrue before the steps to identify a vehicle owner are initiated.</li> </ul> <p>Access</p> <ul style="list-style-type: none"> <li>• Must permit a vehicle owner, a person authorized by a vehicle owner, or an insurance provider with a policy covering the vehicle with access to the vehicle, unless prohibited under another Act, during regular business hours.</li> <li>• Persons authorized to access the vehicle are also to be provided with a reasonable opportunity to photograph or assess the condition of the vehicle.</li> <li>• Must permit Towing Investigators, Police Officers, or other Provincial Offences Officers access to vehicles to conduct examinations that they are authorized to conduct under applicable laws or warrants.</li> <li>• Must not permit any person who is not authorized under the TSSEA or another Act to access the vehicle without the express consent of the vehicle owner/ authorized party.</li> </ul>

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			<p>who drops off the vehicle</p> <ul style="list-style-type: none"> <li>• Be reachable by customers for at least 8 hours per day and operate for at least 5 business days per week</li> <li>• Ensure employees comply with the TSSEA</li> </ul> <p>Shall not:</p> <ul style="list-style-type: none"> <li>• Vary the fees charged for similar jobs based on how costs will be paid</li> <li>• Offer or provide a service under another operating / business name or contact information</li> <li>• Store a customer's vehicle at or require customers to attend a location not identified to the Director</li> </ul> <p>Storage facility requirements:</p> <ul style="list-style-type: none"> <li>• Be in compliance with all applicable municipal permitting and zoning requirements</li> <li>• Be operated, maintained and kept in a state of good repair</li> </ul>	<p>Charges:</p> <ul style="list-style-type: none"> <li>• Must charge in accordance with the rate schedule provided to the Ministry</li> <li>• Must not charge fees for the movement of a vehicle around/within a storage yard, once delivered</li> <li>• Must not charge fees for storing a vehicle for one or more consecutive business days on which the facility is available for service for less than 8 hours if the owner/ authorized party pays for and collects the vehicle on or before the operator's next business day.</li> </ul> <p>Consent:</p> <ul style="list-style-type: none"> <li>• Consent can be given by the vehicle owner or authorized operator</li> <li>• Consent must be provided in writing</li> <li>• Consent to store must be provided separately from a consent to tow</li> <li>• Form needs to contain certain information (e.g., contact info, standard list of fees, signature line)</li> <li>• Exemptions include tows or impounds authorized by other provincial Acts or bylaws</li> </ul> <p>Invoices:</p> <ul style="list-style-type: none"> <li>• Must be provided at completion of storage period</li> <li>• Must include location where vehicle was stored, applicable daily rates, and the total amount owed</li> </ul>



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			<ul style="list-style-type: none"> <li>• Ensure areas accessible to public are kept clean and free of hazards</li> <li>• Be clearly signed to allow customers to find the storage site</li> <li>• Have clearly visible signage and voicemail and email replies outlining facility hours</li> <li>• Have the hours of operation, business name, contact information, and fee schedule visible at the facility</li> <li>• Include adequate security features to protect the vehicles that are stored on site</li> </ul>	<ul style="list-style-type: none"> <li>• Invoices are provided to vehicle owners on the same day in which they are identified/notified by a vehicle storage operator, as well as upon request.</li> </ul> <p>Referrals:</p> <ul style="list-style-type: none"> <li>• No referrals may be provided to a customer for a salvage yard, repairer, storage yard, garage, legal service, healthcare service, rental car service, or vehicle sales operation unless requested by the customer</li> <li>• Certificate holders cannot receive or pay a fee in exchange for referring a client to a provider of identified services</li> <li>• If a customer requests a recommendation, a certificate holder must inform the customer of any business relationships they have with the service for which they are referring</li> </ul>

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Below is a description of Ministry/Director powers intended to be introduced through the proposed regulations. This excludes legislative powers already set out under the TSSEA.

Category	Power
Administrative Monetary Penalties (AMPs)	<ul style="list-style-type: none"> <li>• Director can issue AMPs</li> <li>• AMPs to be served within a year of the contravention</li> <li>• All classes of persons may be served with an AMP</li> <li>• Penalties are to be paid to Ministry of Finance</li> <li>• There will be an appeals process.</li> <li>• AMP amounts TBD</li> </ul>
Certificates	<p>Issuance</p> <ul style="list-style-type: none"> <li>• Director to issue certificates to applicants meeting all criteria</li> <li>• Director can refuse certificates to applicants who have: <ul style="list-style-type: none"> <li>○ Failed to comply with other federal or provincial Acts</li> <li>○ Breached certificate conditions</li> <li>○ Another certificate issued under TSSEA revoked or whose past conduct leads the Director to believe they will not comply with the certificate requirements / conditions</li> </ul> </li> <li>• Certificate will not be renewed if fees are not paid in full (no interest to be charged)</li> </ul> <p>Conditions</p> <ul style="list-style-type: none"> <li>• Director can set out any certificate conditions deemed necessary</li> </ul> <p>Suspension/revocation</p> <ul style="list-style-type: none"> <li>• The Director can suspend/ revoke certificates if: <ul style="list-style-type: none"> <li>○ Certificate conditions have been breached</li> <li>○ Certificate holder fails to comply with Act/ Regulations</li> <li>○ Certificate holder fails to provide service for which the certificate was granted (1 year for storage and towing operators; 3 to 5 years for drivers)</li> <li>○ The conduct of the certificate holder leads the Director to believe they will not continue to meet certificate conditions</li> <li>○ A person or related persons have multiple certificates of the same type</li> </ul> </li> </ul> <p>Related entities</p> <ul style="list-style-type: none"> <li>• If a person holds multiple certificates of the same class, Director may revoke either or both certificates.</li> <li>• Director can refuse to issue a certificate to an applicant if the applicant is related to</li> </ul>

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	<ul style="list-style-type: none"> <li>○ a person whose TSSEA certificate has been cancelled, is or has been under suspension or is or has been subject to a fleet limitation;</li> <li>○ a person whose TSSEA certificate suspension, cancellation or fleet limitation is under appeal; or</li> <li>○ a person who the Director has reason to believe, having regard to the person's past conduct under the TSSEA and through broader relationship examinations, will not comply with the requirements of the TSSEA or the conditions of a certificate</li> <li>● An applicant is related to a person if: <ul style="list-style-type: none"> <li>○ The applicant and the person are related individuals</li> <li>○ Either the applicant or the person is a partner of the other or was a partner of the other or they have or have had partners in common</li> <li>○ Either the applicant or the person, directly or indirectly, controls or controlled or manages or managed the other; or</li> <li>○ The applicant and the person have or have had common officers or directors or they are or have been controlled, directly or indirectly, by the same shareholders</li> <li>○ An applicant is also related if the applicant and the person share vehicles and drivers</li> </ul> </li> </ul>
Record keeping	<ul style="list-style-type: none"> <li>● Director can demand the following to be sent: <ul style="list-style-type: none"> <li>○ Any information required for certificate applications</li> <li>○ Any information related to the driving records or CVOR registration of an applicant</li> <li>○ Any information required during inspections</li> </ul> </li> <li>● Director must store copies of any documents provided in relation to a customer complaint</li> <li>● Director has discretion as to when to destroy collected information</li> </ul>
Publishing of information	<ul style="list-style-type: none"> <li>● Director <u>may</u> publish the following information: <ul style="list-style-type: none"> <li>○ List of certified tow and storage operators</li> <li>○ Rate sheets / schedule of maximum fees provided by certificate holders</li> <li>○ Business operating names, contact information, locations</li> <li>○ Suspensions/ revocations made by the Director</li> <li>○ AMPs issued to a certificate holder that were upheld on appeal</li> </ul> </li> </ul>
Other	<ul style="list-style-type: none"> <li>● Director can handle customer complaints on a case-by-case basis</li> <li>● Operators can be held accountable for the actions of a driver they employ, at the Director's discretion</li> <li>● Interest on penalties to be charged in alignment with Ministry of Finance policies</li> <li>● Director can set site-specific requirements for storage facilities, including fencing, illumination, and monitoring cameras with video recording</li> </ul>