

Subject: Towing Services and Vehicle Storage Yard Facility By-law Update

Department: Corporate Services

Division: Clerks

Report #: CPS-2023-066

Meeting Date: 2023-09-11

Recommendations

That report CPS-2023-066, Towing Services and Vehicle Storage Yard Facility By-law Update, be received;

And that Towing Services and Vehicle Storage Yard Facility By-law 2022-079 be amended to exempt applicants from the provisions of the By-law if a provincial certificate issued under the *Towing and Storage Safety and Enforcement Act (TSSEA)* has been obtained and is provided to the satisfaction of the Licence Issuer;

And that Towing Services and Vehicle Storage Yard Facility By-law 2022-079 be repealed effective December 31, 2023.

Background and Analysis

The Towing Services and Vehicle Storage Yard Facility By-law 2022-079 was adopted at the September 12, 2022, Council meeting, and came into effect on January 1, 2023.

To date, staff have issued the following licenses for towing services:

Towing Services Operators	Tow Truck Drivers	Vehicle Storage Yards
Business Operators - 12 (Incl. 36 tow trucks)	29	8

Prior to the time of adoption, the Province had introduced the *Towing and Storage Safety and Enforcement Act (TSSEA)* which would establish provincial oversight for the towing and vehicle storage yard industry in order to resolve challenges in this sector.

On July 18, 2023, the Ministry of Transportation (MTO) formally announced that effective January 1, 2024, TSSEA's framework will replace municipal licensing regimes, resulting in municipal oversight shifting to the Province. TSSEA's certificate program is being implemented through a phased in approach, and currently, the first two phases are in effect:

➤ **Phase 1 - January 1, 2023**

Tow operators and drivers must adhere to safety requirements that apply to other commercial vehicles.

➤ **Phase 2 - July 1, 2023**

Certificates can be obtained by tow operators, tow truck drivers and vehicle storage operators as of July 4, 2023, at no cost, until July 2024.

➤ **Phase 3 - January 1, 2024**

Municipal oversight ends. TSSEA requirements and enforcement begins. Tow operators and vehicle storage operators must have a certificate.

➤ **Phase 4 - July 1, 2024**

Tow truck drivers must have a certificate and complete training requirements.

As municipal oversight is ending on December 31, 2023 and TSSEA's requirements and enforcement are coming into full effect on January 1, 2024, staff recommend that By-law 2022-079 be repealed effective December 31, 2023. Until the By-law is repealed, drivers and towing and vehicle storage yard operators continue to be required to adhere to the regulations set out in the By-law, including obtaining the required licence(s).

However, given that the Province began issuing certificates under TSSEA as of July 4, 2023, staff are recommending that By-law 2022-079 be further amended whereby, as of the date of the passing of the amending by-law, new drivers and operators would be exempt from the By-law if they have obtained a provincial certificate in accordance with the TSSEA requirements and have provided proof of such that is satisfactory to the Licence Issuer.

To assist with the transition from municipal licensing to the provincial certificate program, the MTO has advised that there will be no fees charged until July 1, 2024 for issuance of the three TSSEA certificate types. The following is a comparison of the Town's current licensing fees and the provincial fee structure:

Licence Type	Town's Licensing Fees	TSSEA's Fee Structure Commencing July 1, 2024
Tow Operator	\$560 per year	\$575 per year
Tow Truck Driver	\$ 70 per year	\$195 for 3 years
Vehicle Storage Operator	\$180 per year	\$575 per year

Next Steps

Following Council's decision, staff will proceed to provide an update to all licensees regarding:

- the By-law repeal date; and
- information received from the MTO in relation to the transition to the TSSEA certificate program.

Strategic Alignment

Strategic Plan

Strategic Goal: Future-Readiness

Objective: Due Diligence

Sustainable Neighbourhood Action Plan

Theme: Not applicable

Strategy: Not applicable

Notice Provisions

The Town's Notice Policy requires that notice be placed on the Town's website and published in a newspaper once per week for two consecutive weeks prior to the meeting at which the matter is to be considered, or prior to the holding of a public meeting.

Financial Impact

In 2023, approximately \$10,190 was received in licensing fees while administering the towing services and vehicle storage yard program. As a result of the transition to provincial oversight, there will be a loss in revenue of this amount in the 2024 budget.

Respectfully submitted

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