STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

B&E Capital LLC,	:	
d/b/a Todd's Towing & Recovery LLC,	:	
Petitioner	:	M2024-16790
	:	227898 MC
Petition for an increase in Relocation Towing and	:	
Storage Rates	:	

ORDER

By the Commission:

PROCEDURAL HISTORY

On December 5, 2024, Petitioner filed its Petition herein, pursuant to 625 ILCS 5/18a, seeking an increase in the daily storage rate from $40 to $45 after the first twenty-four (24) hours of storage.

Pursuant to notice, a status hearing was held in this matter by a duly authorized Administrative Law Judge on February 26, 2025. The Petitioner was represented by counsel. The Commission was represented by Commission Transportation Counsel. At the February 26, 2025, status hearing, the ALJ ruled the parties could file written briefs in lieu of a hearing pursuant to 83 Ill. Adm. Code 200.525.

On March 24, 2025, a Petition for Leave to Intervene was filed by NAR Towing, Inc. On May 15, 2025, the Petition for Leave to Intervene was granted and the record was marked "Heard and Taken" by ALJ ruling.

Briefs have been filed by the Petitioner, Intervenor, (hereinafter "Petitioners") and Commission Transportation Counsel.

PETITIONERS' EVIDENCE

Petitioners provided evidence in support of the grant of an increase in the daily storage rate from $40 to $45 after the first twenty-four (24) hours of storage. Petitioners assert that they are unable to properly and adequately service the public at the current daily storage rate of $40 after the first 24 hours of storage. The increase in fuel prices as well as the price of day-to-day costs are detrimentally affecting Petitioners' economic viability. Additionally, the Consumer Price Inflation Calculator (published by the U.S. Bureau of Labor Statistics) indicates that the value of the U.S Dollar from 2007 relative to present has devalued at a ratio of 1:1.57, which means that the value of $45 in 2007 is now $70.65.

Petitioners relied upon the precedent previously established by this Commission in establishing the current daily storage rate of $45 after the first twenty-four (24) hours of storage in Commission Order entered July 11, 2007, in Case No. RTV-A-42 consolidated with RTV-A-43.

STAFF'S POSITION

Commission Transportation Counsel does not oppose the grant of the relief sought herein. The Illinois Commercial Relocation of Trespassing Vehicles Law grants the Commission the authority to set reasonable rates for the storage of relocated vehicles for periods beyond 24 hours. 625 ILCS 5/18a-200(6). The current, maximum rate for storage of light-duty vehicles after the first 24 hours was set by the Commission in consolidated docket RTV-A 42/43. In that case, the Commission concluded that the mean average rate for storage of light-duty vehicles was $45.00 and determined that the reasonable rate for those petitioners was $40.00. RTV-A 42/43 (2007). A year later, the Commission found that it was reasonable for all licensed relocators to charge $40.00 after the first 24 hours. *See* RTV-A 45 (2008). The parties' predominant argument in this matter is that an increase from $40.00 to $45.00 is warranted due to inflation. In support of this argument, the parties cite changes in the U.S. Consumer and Producer Price Indexes. Specifically, it is argued that the value of the dollar has been devalued since 2007 by a ratio of 1:1.57. Adjusting for inflation, the $40.00 that was approved industry-wide in 2008, is now equivalent to $70.65. Clearly, the $40.00 rate that was approved by the Commission almost two decades ago is no longer sufficient when compared to the value of today's dollar.

Staff also supports applying the increase to $45 to all licensed relocators. Though each relocator's financials are different, the pressures of inflation are not isolated to the parties in this case. It is likely that additional licensees will petition the Commission for similar relief in the future. In the interest of judicial economy, the Commission should provide industry-wide relief now.

It is not unprecedented for the Commission to apply relief industry-wide. In RTV-A 45, an increase was granted to all licensed relocators where the six petitioners accounted for 71.76% of the light-duty vehicles relocated and where other rate increase petitions were pending. More recently, in RTV-A 66, the Commission increased the rate for light-duty tows industrywide to the maximum allowable rate of $238.20. In that matter, the Commission determined that if petitioners were included in the calculation, 72% of all relocated, light-duty vehicles in 2022 would have been performed at the higher rate. *See.* RTV-A 66; M2023-12616 (2024).

To determine whether the above precedent is analogous to the instant proceeding, Staff reviewed the 2023 relocator annual reports filed with the Commission. The

Commission may take administrative notice of the 2023 annual reports consistent with Section 200.640(a)(3) of the Commission's rules of practice. 83 Ill. Adm. Code 200.640(a)(3).

In 2023, there were a total of 58 relocators licensed by the Commission of which 15 where authorized to charge the maximum rate of $45.00 for light-duty storage. The remaining relocators charged the lower rate of $40.00. While only 15 relocators charged the higher rate, those relocators accounted for approximately 71% of the total number of light-duty vehicles relocated in 2023. Unlike the Commission precedent cited above, this metric does not include tows performed by the parties. In keeping with past practice, if the Commission finds that an increase is warranted, that increase should be applied to all licensees.

COMMISSION ANALYSIS AND CONCLUSION

Petitioners are seeking an increase in the daily storage rate from $40 to $45 after the first twenty-four (24) hours of storage. The current maximum daily storage rate of $45 after the first twenty-four (24) hours of storage was established in the Commission Order entered July 11, 2007, in Case No. RTV-A 42 consolidated with RTV-A 43.

Petitioners have provided evidence sufficient to show that they will suffer financial duress resulting from an insufficient rate of return, with resulting deterioration of service to the public. The record also supports a finding that the increase to $45 for daily storage after the first 24 hours should be applied to all relocators licensed by the Commission.

For these reasons, the Commission approves the increase in the daily storage rate from $40 to $45 after the first twenty-four (24) hours of storage for all relocators licensed by the Commission.

FINDINGS AND ORDERING PARAGRAPHS

The Commission, after reviewing the record herein, and being advised in the premises, finds as follows:

1. The Commission has jurisdiction over the subject matter and the parties;

2. The current maximum daily storage rate of $45 after the first twenty-four (24) hours of storage was established in the Commission Order entered July 11, 2007, in Case No. RTV-A 42 consolidated with RTV-A 43;

3. The evidence presented in this case establishes that Petitioners will suffer financial duress resulting from an insufficient rate of return, with resulting deterioration of service to the public;

4. Petitioners' request for an increase in the daily storage rate from $40 to $45 is reasonable and in the public interest;

5. In the interest of judicial economy, the increase in the daily storage rate from $40 to $45 should be applied to all relocators licensed by the Commission.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that it is fair and reasonable for Petitioners to charge and collect the maximum daily storage rate of $45 after the first twenty-four (24) hours. Additionally, this order shall apply industry-wide, to all properly licensed Illinois relocators.

IT IS FURTHER ORDERED that this is a final Order subject to subject to 83 Ill. Adm. Code 200.880(d) which provides that no appeal shall be allowed unless an application for rehearing shall first have been filed and disposed of by the Commission, and subject to the Administrative Review Law, 735 ILCS 5/3-101 *et seq*., as adopted by section 103 of the Illinois Commercial Relocators of Trespassing Vehicles Law, 625 ILCS 5/18a-103.

By Order of the Commission this 22nd day of May 2025.

(Signed) DOUGLAS P. SCOTT
CHAIRMAN