Midterm Review of the 2021-2022 Tow Service Agreement

To: All Commands

Reference: Action Required

Subject: Midterm Review of the 2021-2022 Tow Service Agreement

*****Action Required No Later Than 03/28/22*****

The 2021-2022 Tow Service Agreement (TSA) allows tow operators to raise their rates during the open enrollment period, or upon approval of the Commissioner, after a midterm review. Due to recent events, fuel and other costs have experienced a notable increase. As a result, rotation tow service providers are utilizing fewer tow trucks while attempting to maintain the same level of service. A midterm review was initiated on 03/11/2022, and a resubmission of tow rates was approved by the Commissioner.

Effective immediately, all rotation tow companies shall be allowed to resubmit hourly rates for the following:

Class A Tow Truck
Class B Tow Truck
Class C Tow Truck
Class D Tow Truck

To simplify statewide implementation, an increase of 10 percent over the current 2021-2022 TSA hourly tow rate has been approved. Hourly rates may be submitted by rotation tow providers using a CHP 234A, Rotation Tow Listing Application. The information in this Comm-Net message will also be forwarded to rotation tow companies through industry associations. The resubmission of hourly rates shall be accepted until close of business on 03/28/2022. The resubmitted hourly rates shall be evaluated, approved, and effective by close of business on 04/08/2022 (or sooner). These hourly rates shall remain in effect until 06/30/2022.

It should be noted, this midterm rate review is specific to the 2021-2022 TSA and is separate from any ongoing discussions commands may be having with rotation tow service providers in advance of the upcoming 2022-2023 TSA. When considering the reasonableness of rates submitted in advance of the upcoming 2022-2023 TSA period, commands shall be mindful of any changes in fuel costs which may occur subsequent to this midterm review. Fuel and other costs may decrease and shall be considered in the determination of any future rate submissions.

Questions regarding the contents of this Comm-Net message should be directed to Sergeant Ben Starkey or Officer Justin Sherwood of Research and Planning Section, at (916) 843-3355.

CHP Headquarters/Office of the Commissioner/061/19461

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