

Wednesday, February 16, 2005

**NEW YORK CITY POLICE COMMISSIONER RAYMOND W. KELLY,
CONSUMER AFFAIRS COMMISSIONER GRETCHEN DYKSTRA, BROOKLYN
DISTRICT ATTORNEY CHARLES J. HYNES, QUEENS DISTRICT ATTORNEY
RICHARD A. BROWN AND BRONX DISTRICT ATTORNEY ROBERT T.
JOHNSON ANNOUNCE THE ARREST OF 34 INDIVIDUALS WHO FALSIFIED
DOCUMENTATION IN ORDER TO PARTICIPATE IN THE ROTATION TOW
PROGRAM**

Police Commissioner Raymond W. Kelly, Consumer Affairs Commissioner Gretchen Dykstra, Brooklyn DA Charles J. Hynes, Queens DA Richard Brown, and Bronx DA Robert T. Johnson announce the arrest of 34 individuals for falsifying information in order to participate in the City's Rotation Tow program. Those arrested are the owners and employees of several towing companies who submitted fraudulent documents. In addition to the arrests, officers seized 14 tow trucks and approximately \$200,000 in illegal assets.

During the investigation, officers learned that some addresses registered by the tow companies did not exist or were erroneous. In other circumstances, the registrants failed to disclose pertinent details such as having a pre-existing auto related operation. Any one of these falsifications is grounds for disqualification from the program. Additionally, many of the owners and employees of these businesses have criminal histories with auto related convictions.

Among those arrested was an individual who went out of business in 1997 and was using his residence as the business address. Another person used his deceased father as the applicant on his renewal application. The Auto Crime Division also arrested two known members of the Bonanno crime family as part of this investigation.

Commissioner Kelly said: "These individuals illegally manipulated the system for profit and disregarded the law. They fabricated information and expected no one to notice. What they did not expect was the diligence of our officers. Congratulations to the members of the Department and the other agencies who made this investigation such a success."

"We applaud the NYPD for their extraordinary efforts to protect drivers when their car is towed," said DCA Commissioner Gretchen Dykstra. "DCA licenses tow trucks and because of today's aggressive action by the Police Department we are moving to suspend and possibly revoke the licenses of all companies, their principals, and those drivers that were arrested."

Brooklyn District Attorney Hynes said, "Licensed towing is a privilege, not a right. When the license is granted through false sworn statements made in the application process the public trust is violated and the integrity of the system is undermined. Falsifying business records and lying under oath are crimes. Today's arrests demonstrate that there are consequences to violating that public trust."

Queens District Attorney Richard A. Brown said, "The defendants charged in this prosecution are accused of cheating the City and New Yorkers by filing false documents to get lucrative towing licenses for City-run towing programs designed to remove broken down or abandoned vehicles from streets and highways. They allegedly

ran phantom towing companies, some even using empty lots as business addresses."

Bronx District Attorney Robert T. Johnson said: "The rotation tow procedure has been set up to protect the public. These tow truck operators who abuse the process circumvent the licensing procedures, operate outside of the guidelines and should be held accountable."

The Department of Consumer Affairs regulates the Rotation Tow program which sets towing fees for stolen vehicles that have been recovered or vehicles that have been abandoned. Participating companies must register with New York City's Department of Consumer Affairs. While the Police Department was making routine checks of the businesses, discrepancies revealed themselves. With the cooperation of the Department of Consumer Affairs, the Police Department's Auto Crime Division launched an investigation.

The 34 arrested individuals are charged with offering a false instrument for filing, a class-E felony. The investigation is ongoing and more arrests are expected.