

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

House Bill 781

(Delegate Gilchrist)

Environmental Matters

Judicial Proceedings

Vehicle Laws - Towing or Removal of Vehicles - Notice

This bill prohibits a towing service that tows a vehicle from a parking lot from charging for the actual cost of providing the required notice of the tow if the vehicle's owner or agent, insurer, or any secured party retakes possession of the vehicle within 48 hours of the vehicle being received by the storage facility. The bill also increases, from three days to seven days, the period within which a tower must notify the owner, any secured party, and the vehicle's insurer of the tow by certified mail, return receipt requested, and first-class mail; this period does not include days that the towing business is closed.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances.

Local Effect: The bill is not anticipated to materially affect local operations or finances.

Small Business Effect: Minimal. The bill provides additional time for towers to provide required notice, but it is unclear how much may be charged for providing notice.

Analysis

Current Law: Chapter 228 of 2012 (SB 401) establishes that, unless otherwise set by local law, a person who tows or removes a vehicle from a parking lot may not charge more than the *actual* cost of providing the notice required by State law. Towing services are required to notify police within one hour of a tow and photograph the violation or event that precipitated the violation. The tower must provide specified notice, and the itemized cost of providing notice, to the owner of the vehicle, as well as any secured party, and the vehicle's insurer, within three days of the vehicle's removal from a parking lot, not including days that the towing business is closed. The Motor Vehicle

Administration must maintain a database of addresses for providing notice to an insurer and make the database available to towers free of charge.

Additional Information

Prior Introductions: None.

Cross File: SB 987 (Senator Forehand) – Judicial Proceedings.

Information Source(s): Baltimore, Charles, Frederick, and Montgomery counties; cities of Baltimore and Laurel; Judiciary (Administrative Office of the Courts); Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - February 21, 2013
mc/ljm Revised - House Third Reader - March 25, 2013

Analysis by: Evan M. Isaacson

Direct Inquiries to:
(410) 946-5510
(301) 970-5510