

Department of Legislative Services  
Maryland General Assembly  
2017 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 1320

(Charles County Delegation)

Environment and Transportation

Judicial Proceedings

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**Southern Maryland Code Counties - Towing Companies - Authority to Regulate**

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This bill authorizes code counties in Southern Maryland (Charles County) to adopt rules and regulations for the licensing, maintenance, and operation of towing companies in the county to (1) promote transparency, accountability, and uniformity regarding nonconsensual towing practices; (2) safeguard the public health and welfare; (3) promote good civic design; and (4) promote the health, safety, morals, order, convenience, and prosperity of the community.

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**Fiscal Summary**

**State Effect:** Potential minimal increase in general fund revenues due to the bill's monetary penalty provision from cases heard in the District Court.

**Local Effect:** Potential increase in Charles County revenues and expenditures to the extent that rules and regulations are adopted to regulate towing companies. The amount of any increase depends on licensing fees that are adopted and enforcement costs. Charles County expenditures may increase minimally as a result of the bill's incarceration penalty.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** The rules and regulations adopted by the county commissioners may (1) require a person who maintains or operates a towing company in the county to obtain a license from the county and (2) specify a reasonable fee for the license.

The county commissioners must hold a public hearing before adopting rules and regulations regarding the towing companies. The rules or regulations are not valid unless a public hearing is held as advertised. The county commissioners must publish notice of the time and place of the public hearing in a newspaper of general circulation in the county once a week for not less than four successive weeks.

A person who violates a rule or regulation regarding towing companies is guilty of a misdemeanor and on conviction is subject to a fine of not less than \$500 and/or imprisonment of up to two months. Each day on which a violation continues is a separate offense.

In the event of a conflict, federal law, State law, or written program guidance issued by a unit of the federal or State government preempts a rule or regulation adopted or any other action taken under the bill.

A “tow truck” is defined as a Class E (truck) vehicle that is designed to lift, pull, or carry a vehicle by a hoist or mechanical apparatus; has a manufacturer’s gross vehicle weight rating of 10,000 pounds or more; and is equipped as a tow truck or designed as a rollback. “Towing” is the moving or removal of a motor vehicle by a tow truck. A “towing company” is a person that provides towing services. “Towing service” is the operation of removing or towing motor vehicles. Nonconsensual towing is towing a motor vehicle from private property without consent of the motor vehicle’s owner or operator.

**Current Law:** Section 21, Subtitle 10A of the Transportation Article pertains to the towing or removal of vehicles from parking lots in the State. Section 21-10A-01(b)(2) states that “nothing in this subtitle prevents a local authority from exercising any power to adopt local laws or regulations relating to the registration or licensing of persons engaged in, or otherwise regulating in a more stringent manner, the parking, towing or removal, or impounding of vehicles.”

Section 21-1009 of the Transportation Article authorizes the Charles County Commissioners to adopt ordinances and regulations relating to the towing or removal of vehicles from privately owned parking lots.

**Background:** The Southern Maryland region of the State is comprised of Calvert, Charles, and St. Mary’s counties. Charles County is the region’s only code county. Calvert and St. Mary’s counties operate under the commission form of government.

**Local Fiscal Effect:** Charles County may experience an increase in revenues and expenditures to the extent that rules and regulations are adopted to regulate towing companies. The amount of any increase depends on licensing fees that are adopted and enforcement costs, neither of which can be reliably estimated. In addition, county

expenditures may increase as a result of the bill's incarceration penalty; however, the number of people convicted is expected to be minimal.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Charles County; Maryland Association of Counties; Judiciary (Administrative Office of the Courts); Department of State Police; Department of Legislative Services

**Fiscal Note History:** First Reader - March 3, 2017  
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