



HOWARD COUNTY DEPARTMENT OF COMMUNITY RESOURCES AND SERVICES

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February 15, 2023

Delegate Marc Korman, Chair
Environment and Transportation Committee
House Office Building, Room 251
Annapolis, Maryland 21401

Re: **TESTIMONY OF OPPOSITION:** HB514: Commercial Law - Statutory Liens - Motor Vehicles Towed or Removed From Parking Lots

Dear Chair Korman, Vice Chair Boyce and Members of the Committee:

The Howard County Department of Community Resources and Services (DCRS) provides vital human services through its nine offices and ten boards and commissions, including the Office of Consumer Protection (OCP).

The OCP helps to protect Howard County consumers and tenants by mediating disputes, taking enforcement action or providing tips on how to avoid scams or make smart purchasing decisions. Moreover, the OCP regulates and licenses trespass towing companies in Howard County under HCC §17.600, *et seq.* Trespass towing is a unique business model. No where else does the law allow a business to take someone's personal property without the owner's permission and refuse to turn it over unless paid a fee. Adding automatic statutory liens, especially *ex post facto*, would unduly burden consumers who rely on their cars for their livelihood and their families. While most tow companies operate with integrity and lawfulness, many do not.

In 2023, OCP issued a Notice of Violation to a tow company for sharp practices. There, an apartment community had rejected this tow business for its parking lots. Undeterred, the tow company nevertheless came on the property after hours, removed the prior tow company's signs, installed its own signs, told the concierge it had a valid contract with the property owner when asked, and then towed ten (10) cars without the authorization of the property owner or its agents. These tenants missed work, appointments, and getting their kids to school. The tow company was ordered to return the cars without redemption fees. Had an automatic lien existed, such an order could have been refused.

Also in 2023, OCP revoked the license of a tow company for towing 42 vehicles during a period it was unlicensed. Further, once relicensed, the business knowingly provided false information on its renewal application, failed to provide updated insurance information when requested, charged rates over what was approved by the Council, charged *government fines* whenever it saw fit, refused to return "government fines" when ordered, acted as a spotter, towed vehicles without authorization of the property owner, and failed to provide notice of the tow to the Police as required by County law. Again, an automatic lien would have forced consumers to pay these fees, allowed the tow company to refuse refunds, and harmed Howard County consumers.

For these reasons, DCRS, through its Office of Consumer Protection, opposes this bill.

Sincerely,
Signed by:

A handwritten signature in black ink that reads "Jacqueline Scott".

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Jacqueline Scott, Director

Cc: The Honorable Dr. Calvin Ball III, County Executive
Maureen Evans Arthurs, Director of Government Affairs & Strategic Partnerships
Tracy Rezvani, Administrator OCP