



Montgomery County

Office of Intergovernmental Relations

ROCKVILLE: 240-777-6550

ANNAPOLIS: 240-777-8270

HB 514

DATE: February 15, 2024

SPONSOR: Delegates Allen and Boyce

ASSIGNED TO: Environment and Transportation

CONTACT PERSON: Kathleen Boucher (Kathleen.boucher@montgomerycountymd.gov)

POSITION: Oppose (Office of Consumer Protection)

Commercial Law – Statutory Liens – Motor Vehicles Towed or Removed From Parking Lots

“Predatory Towing” occurs when merchants illegally engage in towing parked cars and retaining the vehicles until the vehicle owners pay fees to the towing firms.

The State of Maryland and several local jurisdictions in Maryland have enacted and enforce statutes regulating trespass/non-consensual towing practices. The Montgomery County Office of Consumer Protection registers towing firms, maintains a registry of parking lots, and investigates complaints regarding illegal towing.

The number of complaints alleging illegal towing practices has reached a crisis level and has been the subject of extensive local and national news media. Allegations regarding these practices include:

- Improper signage and disclosures;
- Damage to vehicles;
- Failure to release personal property;
- Failure to notify police;
- Dark and unsafe impound lots;
- Demanding cash; and
- Failure to comply with numerous other statutory requirements.

These towing practices and the complaints that they generate are unique consumer transactions in our marketplace. In essence, the towing firms serve as “*Judge, Jury, and Jailer*” in their ability to retain property belonging to consumers. Most other transactions in our marketplace provide that disputes between merchants and consumers are to be resolved in court.

These illegal practices occur 24-hours a day and 365 days a year. The ability of our office to appropriately investigate and address non-consensual towing practices would be significantly impaired if the State statutorily establish a “mechanics lien” regarding a non-consensual transaction which may have been illegal.

Montgomery County’s Office of Consumer Protection respectfully requests that the Environment and Transportation Committee give this bill an unfavorable report.