# **Department of Legislative Services** Maryland General Assembly 2007 Session

## FISCAL AND POLICY NOTE

House Bill 641 Environmental Matters (Delegate Stukes, et al.)

#### Vehicle Laws - Towing or Removal of Vehicles from Parking Lots

This bill applies provisions of current law concerning the towing or removal of vehicles from parking lots that only apply to Baltimore City and Baltimore County to the entire State, and adds new requirements.

## **Fiscal Summary**

State Effect: The bill's provisions could be enforced with existing resources.

Local Effect: The bill's provisions could be enforced with existing resources.

Small Business Effect: Minimal.

## Analysis

**Bill Summary:** This bill preempts conflicting provisions enacted by a county or municipal corporation concerning the towing or removal of vehicles from parking lots.

A vehicle may be towed or removed from a parking lot only if it impedes the flow of traffic or after at least 24 hours notice is provided as specified in the bill. The owner of the parking lot must provide notice of towing or removal to the vehicle owner by telephone or by placing a printed notice under the vehicle's front windshield wiper. The notice must be at least five inches by eight inches and include the time of the notice, the time the towing or removal will take place (unless the vehicle is removed by the owner), and the name and telephone number of the person authorizing the towing or removal of the vehicle.

**Current Law:** State law relating to the towing or removal of vehicles from parking lots only apply to Baltimore City or Baltimore County.

A "parking lot" is a privately owned facility consisting of three or more spaces that is accessible to the public. The parking lot owner or the agent of the lot owner or operator may not have a vehicle towed or removed from a parking lot unless the owner, operator, or agent has placed signs in conspicuous locations that are at least 24 inches high and 30 inches wide and are clearly visible to the driver of a vehicle that is entering or being parked in a parking lot. The sign must state the location to which a vehicle will be towed or removed and the hours when the vehicle may be reclaimed. The sign must also state the maximum amount an owner may be charged for towing or removal of the vehicle and provide a telephone contact for the purpose of reclaiming the vehicle. At least one sign must be placed for every 7,500 square feet in the parking lot.

Vehicles may not be towed or removed to a location more than 10 miles from the parking lot. The person who tows or removes the vehicle may not charge more than twice the fee normally charged by the political subdivision for the impound towing of vehicles and generally may not charge more than \$8 per day for storage. A person who tows or removes a vehicle from a parking lot must notify the police department within two hours after towing or removal and provide specified identifying information, including why the vehicle was towed and the location from which and to where it was towed. A person towing or removing a vehicle must have the permission of the parking lot owner and carry a surety bond of at least \$20,000 to cover any liability from damage due to the person's negligence. The person who tows or removes a vehicle from a parking lot may not employ spotters to look for vehicles to remove or tow; nor may the person pay any money to the parking lot owner.

The person who tows or removes a vehicle must immediately deliver it to a storage facility that is usually used by the person and provide the vehicle's owner or agent with an immediate and continuous opportunity to retake possession of the vehicle.

If a person tows or removes a vehicle in violation of these provisions, the person is liable for the actual damages sustained as a result of the violation and is liable to the vehicle owner for triple the amount paid by the vehicle's owner or agent to retake possession of the vehicle.

**State and Local Fiscal Effect:** The State Police advises that, while this bill may alter some procedures regarding the towing or removal of vehicles from parking lots, the provisions of this bill could be enforced using existing resources. Charles, Montgomery,

and Somerset counties and the City of Frederick report that this bill would not have a fiscal impact since the bill applies to privately owned facilities.

# **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** City of Frederick, Somerset County, Montgomery County, Charles County, Judiciary (Administrative Office of the Courts), Department of State Police, Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2007 ncs/ljm

Analysis by: Karen D. Morgan

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