

SENATE BILL 780

R7

11r2550

By: **Senators Ramirez and Muse**

Introduced and read first time: February 4, 2011

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Stolen Vehicles – Towing and Impoundment Charges**

3 FOR the purpose of providing that certain persons may not be held liable for certain
4 vehicle towing and impoundment charges for certain stolen vehicles that were
5 incurred before certain notice was provided; limiting certain towing and
6 impoundment charges that certain persons are required to pay before
7 reclaiming a towed and impounded stolen vehicle to charges incurred after
8 certain notice was provided; limiting in certain counties the costs that certain
9 persons may seek to recover for the towing and impoundment of a stolen vehicle
10 to costs incurred after providing certain notice; limiting the towing and
11 impoundment costs used to determine certain reimbursements for the towing
12 and impoundment of a stolen vehicle to costs incurred after certain notice was
13 provided; altering a certain definition; making a technical correction; and
14 generally relating to towing and impoundment charges for a stolen vehicle.

15 BY repealing and reenacting, without amendments,
16 Article – Transportation
17 Section 25–201(a) and 25–205
18 Annotated Code of Maryland
19 (2009 Replacement Volume and 2010 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Transportation
22 Section 25–201(b), 25–204, 25–206.1, 25–206.2(e), and 25–207(d)
23 Annotated Code of Maryland
24 (2009 Replacement Volume and 2010 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

27 **Article – Transportation**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 25–201.

2 (a) In this subtitle the following words have the meanings indicated.

3 (b) “Abandoned vehicle” means any motor vehicle, trailer, or semitrailer:

4 (1) That is inoperable and left unattended on public property for more
5 than 48 hours;

6 (2) That has remained illegally on public property for more than 48
7 hours;

8 (3) That has remained on private property for more than 48 hours
9 without the consent of the owner or person in control of the property;

10 (4) That has remained in a garage for more than 10 days after the
11 garage keeper has given the owner of the vehicle notice by certified mail, return
12 receipt requested, bearing a postmark from the United States Postal Service, to
13 remove the vehicle;

14 (5) That has remained in a garage for more than 10 days after the
15 period when, by contract, the vehicle was to remain in the garage;

16 (6) That was left for more than 10 days in a garage by:

17 (i) Someone other than its registered owner; or

18 (ii) A person authorized to have possession of the vehicle under
19 a contract of use, service, storage, or repair;

20 (7) That has remained on public property for more than 48 hours and:

21 (i) Is not displaying currently valid registration plates; or

22 (ii) Is displaying registration plates of another vehicle;

23 (8) That has been left unattended on any portion of a “controlled
24 access highway” as defined in § 8–101(f) of this article for more than 24 hours;

25 (9) That has been left unattended on any portion of a primary or
26 secondary highway or controlled access highway, as defined in § 8–101 of this article,
27 and is in violation of any of the provisions of § 22–408 of this article; [or]

28 **(10) THAT HAS BEEN REPORTED STOLEN AND HAS BEEN TAKEN**
29 **INTO CUSTODY BY A POLICE DEPARTMENT; OR**

1 [(10)] (11) That is not reclaimed as provided under § 27-111 of this
2 article.
3 25-204.

4 (a) As soon as reasonably possible and within 7 days at most after it takes an
5 abandoned vehicle into custody, a police department shall send a notice, by certified
6 mail, return receipt requested, bearing a postmark from the United States Postal
7 Service, to:

8 (1) The last known registered owner of the vehicle; and

9 (2) Each secured party, as shown on the records of the Administration.

10 (b) The notice shall:

11 (1) State that the abandoned vehicle has been taken into custody;

12 (2) Describe the year, make, model, and vehicle identification number
13 of the vehicle;

14 (3) Give the location of the facility where the vehicle is held;

15 (4) (i) Inform the owner and secured party of the owner's and
16 secured party's right to reclaim the vehicle within 3 weeks after the date of the notice,
17 on payment of [all]:

18 1. ALL towing, preservation, and storage charges
19 resulting from taking or placing the vehicle in custody; OR

20 2. FOR A STOLEN VEHICLE, ONLY TOWING,
21 PRESERVATION, AND STORAGE CHARGES THAT WERE INCURRED AFTER
22 ADEQUATE NOTICE WAS PROVIDED UNDER THIS SUBTITLE AND RESULTED
23 FROM TAKING OR PLACING THE VEHICLE IN CUSTODY; or

24 (ii) In Baltimore City and Montgomery County, be sent by
25 certified mail, return receipt requested, and inform the owner and secured party of the
26 owner's and secured party's right to reclaim the vehicle within 11 working days after
27 the receipt of the notice, on payment of [all]:

28 1. ALL towing, preservation, and storage charges
29 resulting from taking or placing the vehicle in custody; OR

30 2. FOR A STOLEN VEHICLE, ONLY TOWING,
31 PRESERVATION, AND STORAGE CHARGES THAT WERE INCURRED AFTER

1 ADEQUATE NOTICE WAS PROVIDED UNDER THIS SUBTITLE AND RESULTED
2 FROM TAKING OR PLACING THE VEHICLE IN CUSTODY; and

3 (5) State that the failure of the owner or secured party to exercise this
4 right in the time provided is:

5 (i) A waiver by the owner or secured party of all of the owner's
6 or secured party's right, title, and interest in the vehicle;

7 (ii) A consent to the sale of the vehicle at public auction; and

8 (iii) A consent by the owner other than a lessor to the retention
9 of the vehicle for public purposes as provided in § 25–207 of this subtitle.

10 (c) **A REGISTERED OWNER OR SECURED PARTY OF A STOLEN VEHICLE**
11 **THAT HAS BEEN TAKEN INTO CUSTODY BY A POLICE DEPARTMENT MAY NOT BE**
12 **HELD LIABLE FOR ANY TOWING, RECOVERY, PRESERVATION, IMPOUNDMENT,**
13 **OR STORAGE CHARGES INCURRED BEFORE THE EARLIER OF THE DATE THAT:**

14 (1) **THE REGISTERED OWNER OR SECURED PARTY RECEIVES THE**
15 **NOTICE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION;**

16 (2) **THE POLICE DEPARTMENT FIRST PROVIDES NOTICE**
17 **THROUGH A PUBLIC POSTING IN THE APPROPRIATE CIRCUIT COURT UNDER §**
18 **25–205 OF THIS SUBTITLE; OR**

19 (3) **THE POLICE DEPARTMENT PROVIDES ACTUAL DOCUMENTED**
20 **NOTICE TO THE REGISTERED OWNER OR SECURED PARTY IN ANY OTHER**
21 **MANNER.**

22 (D) In Baltimore City, Prince George's County, and Montgomery County, a
23 police department or its agent may seek to recover **THE** costs of impoundment[,
24 storage,] **AND STORAGE, EXCEPT FOR A STOLEN VEHICLE FOR WHICH ONLY THE**
25 **COSTS INCURRED AFTER PROVIDING ADEQUATE NOTICE UNDER THIS SUBTITLE**
26 **MAY BE RECOVERED,** and **THE COSTS OF THE** sale of a vehicle as provided by §§
27 25–206.1 and 25–206.2 of this subtitle. If a police department or its agent seeks to
28 apply the provisions of §§ 25–206.1 and 25–206.2 of this subtitle, the notice required
29 by this section shall also state that the failure of the owner or secured party to exercise
30 the right to reclaim the vehicle in the time provided may cause:

31 (1) Continuing liability of the owner for costs of:

32 (i) Impoundment;

33 (ii) Storage within the chargeable limit for storage as provided
34 in § 25–206.1(b) of this subtitle; and

1 (iii) Sale of the vehicle; and

2 (2) Denial of any application by the owner to renew the registration of
3 any vehicle as required by § 25–206.2 of this subtitle.

4 25–205.

5 (a) This section applies if:

6 (1) The identity of the last registered owner of an abandoned vehicle
7 cannot be determined;

8 (2) The registration of the vehicle gives no address for the owner;

9 (3) It is impossible to determine with reasonable certainty the identity
10 and address of each secured party; or

11 (4) The certified mail notice required by § 25–204 of this subtitle is
12 returned as undeliverable.

13 (b) Under one of the conditions described in subsection (a) of this section, a
14 police department that takes an abandoned vehicle into custody shall give the
15 required notice by posting a notice complying with the provisions of subsection (c) of
16 this section in the circuit court of the county where the abandoned vehicle was found.

17 (c) The notice:

18 (1) May contain multiple listings of abandoned vehicles;

19 (2) Shall contain the information required by § 25–204 of this subtitle;
20 and

21 (3) Shall be posted:

22 (i) Within 15 days of the taking into custody of the vehicle; or

23 (ii) If the notice by posting under this section is made because of
24 the return as undeliverable of a prior notice by certified mail, return receipt requested,
25 bearing a postmark from the United States Postal Service, within 7 days of the return
26 of that prior notice.

27 25–206.1.

28 (a) This section applies to any vehicle sold by a police department of
29 Baltimore City, Prince George’s County, Montgomery County, or a municipal
30 corporation in Prince George’s County or Montgomery County under this subtitle as
31 an abandoned vehicle, and to any vehicle sold pursuant to an ordinance of the Mayor

1 and City Council of Baltimore, an ordinance or local law enacted by Prince George's
 2 County or Montgomery County, or an ordinance enacted by a municipal corporation in
 3 Prince George's County or Montgomery County governing vehicles that are:

4 (1) Abandoned and unclaimed;

5 (2) Reported stolen, recovered, and subsequently unclaimed; or

6 (3) Involved in an accident, removed by police, and subsequently
 7 unclaimed.

8 (b) If the money collected from the sale of a vehicle subject to this section is
 9 not enough to reimburse a police department or its agent for the costs of towing,
 10 preserving, and storing the vehicle, **OR FOR A STOLEN VEHICLE ONLY FOR THE**
 11 **COSTS OF TOWING, PRESERVING, AND STORING THE VEHICLE INCURRED AFTER**
 12 **ADEQUATE NOTICE WAS PROVIDED UNDER THIS SUBTITLE**, and for the expenses
 13 of sale, including all publication and notice costs, the last registered owner shall be
 14 liable to the police department or its agent for the deficiency. For purposes of this
 15 subsection, the costs chargeable to an owner for the preservation and storage of a
 16 vehicle may not exceed \$300.

17 (c) If a vehicle subject to this section is transferred by the registered owner
 18 after it has been towed or impounded and before its sale at auction, and the transferee
 19 is given a copy of the notice required under § 25–204 of this subtitle, by the transferor
 20 or by the towing or impounding agency, then the transferee shall be liable for the costs
 21 provided by this section.

22 (d) The liability provided by this section does not apply to the registered
 23 owner of a vehicle who has made a bona fide sale or gift of the vehicle to another
 24 person prior to its being towed or impounded. The registered owner has the burden of
 25 showing that a bona fide sale or gift of the vehicle has occurred.

26 (e) The liability provided by this section does not apply in any case in which
 27 notice as required by § [25–204(c)] **25–204(D)** of this subtitle has not been provided.

28 25–206.2.

29 (e) The penalty provided by this section does not apply in any case in which
 30 notice as required by § [25–204(c)] **25–204(D)** of this subtitle has not been provided.

31 25–207.

32 (d) Except as otherwise provided in this subtitle:

33 (1) From the proceeds of the sale of an abandoned vehicle, the police
 34 department shall reimburse itself for the costs of towing, preserving, and storing the
 35 vehicle, **OR FOR A STOLEN VEHICLE ONLY FOR THE COSTS OF TOWING,**

1 **PRESERVING, AND STORING THE VEHICLE INCURRED AFTER PROVIDING**
2 **ADEQUATE NOTICE UNDER THIS SUBTITLE,** and the expenses of the auction,
3 including all notice and publication costs incurred under this subtitle; and

4 (2) Any remaining proceeds of the sale shall be held for 90 days for the
5 owner of the vehicle and any entitled secured party, after which the remaining
6 proceeds revert to:

7 (i) The treasury of the county in which the sale was made; or

8 (ii) In the case of a municipality that conducts the sale, the
9 treasury of the municipality.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2011.