

## **Maryland Motor Truck Association**

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**HEARING DATE**: March 21, 2023

BILL NO/TITLE: Senate Bill 927 - Commercial Vehicles - Police Initiated Towing - Alterations

**COMMITTEE:** Senate Judicial Proceedings

POSITION: Support

Maryland Motor Truck Association offers its support for SB927, which builds on legislation passed by the General Assembly in 2022 by altering some basic consumer protections for motor carriers and truck drivers that are involved in a tow dispatched by the Maryland State Police (MSP).

Based on a lack of protections for motor carriers when the state police dispatch a tower to an accident scene, the General Assembly passed Chapter 575 in 2022. That law:

## As of October 1, 2022:

- Required towers to file their maximum rates for police-initiated tows when they apply for the MSP tow list.
- Mandated that the State Police establish a complaint/discipline process that includes potential suspension and expulsion of a tower from the tow list.
- Allowed vehicle owners to use the tower of their choice as long as the tower can arrive in 30 minutes or less, with some exclusions if it creates a safety risk.
- Prevented towers from exercising a lien on cargo if the cargo was owned by a 3<sup>rd</sup> party.

To allow for continued work on this issue, two key provisions of the new law do not become effective until October 1, 2023. Those provisions:

- Ban the use of "per pound billing" in Maryland on police-initiated tows.
- Require a tower to release the vehicle with payment of a 20% deposit of the amount billed if there is a dispute over the cost. The vehicle owner is still responsible for the remaining balance owed.

Under SB927, the 20% deposit provision noted above would be vacated, so that towers could continue to exercise a lien on a vehicle for non-payment; however, the Maryland State Police would be required to establish and publish maximum allowable rates that may be charged. A workgroup would be established consisting equally of trucking and towing industry representatives, as well as government agencies, to make recommendations on maximum allowable rates for police-initiated tows, with final approval of the rates issued by the MSP.

MMTA believes this is a reasonable compromise that should provide some certainty to both tow companies and trucking companies. For that reason, we respectfully request a favorable report on SB927.

<u>About Maryland Motor Truck Association:</u> Maryland Motor Truck Association is a non-profit trade association representing the trucking industry since 1935. In service to its 1,000 members, MMTA is committed to supporting and advocating for a safe, efficient, and profitable trucking industry across all sectors and industry types, regardless of size, domicile, or type of operation.

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