

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 1339 (Delegates Minnick and Anderson)
Environmental Matters

Vehicle Laws - Towing, Recovery, and Storage - Methods of Payment

This bill requires a storage facility in possession of a towed vehicle to accept payment for towing, recovery, or storage charges by cash *or* at least two major, nationally recognized credit cards. Thus, the bill repeals the requirement for a storage facility that accepts only cash payments to have an operable automatic teller machine (ATM) on the premises and the requirement to accept a personal check if the facility cannot process an individual's credit card payment and does not have an ATM. In addition, the bill requires a police department or other person that stores an abandoned vehicle to accept cash *or* at least two major nationally recognized credit cards.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances.

Local Effect: The bill is not anticipated to materially affect local operations or finances.

Small Business Effect: Potential meaningful impact on small businesses that store towed and abandoned vehicles and may be able to limit payment to cash only.

Analysis

Current Law/Background: Chapter 228 of 2012 (SB 401) generally implemented certain Task Force to Study Motor Vehicle Towing Practices' recommended legislative changes relating to the regulation of nonconsensual towing of vehicles from private property and the disposition of towed vehicles. Among other requirements, Chapter 228 requires a storage facility to accept as payment either cash or at least two major credit cards. If the facility accepts only cash, it must have an ATM on the premises. If the

storage facility is unable to process a credit card payment (unless the payment was declined by the credit card company) and does not have an operable ATM on the premises, the storage facility must accept a personal check.

A police department may take any abandoned vehicle into custody and may either use its own personnel, equipment, and facilities or use other persons, equipment, and facilities to remove, store, or preserve the abandoned vehicle.

Additional Comments: This fiscal and policy note assumes that the bill is interpreted to *allow* a storage facility to accept payment *either* by cash *or* by credit card, rather than interpreted to *require* a facility to accept *both* cash and credit card payment.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore, Carroll, Harford, Montgomery, and Queen Anne's counties; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2013
mc/ljm

Analysis by: Evan M. Isaacson

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