Chapter 575

## (House Bill 487)

AN ACT concerning

### Commercial Vehicles - Nonconsensual Police-Initiated Towing - Requirements

FOR the purpose of requiring the Department of State Police to make a certain tow list regarding certain businesses and certain rates available to the public on request; establishing certain requirements and procedures for the nenconsensual police—initiated towing of certain commercial vehicles at the direction of the Department; and generally relating to the nenconsensual police—initiated towing of commercial vehicles.

BY repealing and reenacting, with amendments,

Article – Public Safety

Section 2-314

Annotated Code of Maryland

(2018 Replacement Volume and 2021 Supplement)

BY adding to

Article – Commercial Law

Section 16A–101 to be under the new title "Title 16A. Nonconsensual Police–Initiated Towing Services"

Annotated Code of Maryland

(2013 Replacement Volume and 2021 Supplement)

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

## Article - Public Safety

2-314.

- (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "APPROVED RATES" MEANS THE RATES FOR TOWING AND RECOVERYSERVICE OPERATIONS APPROVED BY THE DEPARTMENT THAT APPLY TO NONCONSENSUAL TOWING AND RECOVERY SERVICE OPERATIONS PERFORMED AT THE DIRECTION OF THE DEPARTMENT.
- (3) (2) "AUTHORIZED TOW COMPANY" MEANS A COMPANY PROVIDING TOWING AND RECOVERY SERVICES AT THE REQUEST OF THE DEPARTMENT AND DESIGNATED ON THE TOW LIST.

- (4) (3) "HEAVY-DUTY TOWING" MEANS TOWING AND RECOVERY OF A VEHICLE INCLUDING TRAILERS AND SEMITRAILERS WITH A GROSS VEHICLE WEIGHT RATING OVER 20,000 POUNDS.
- (5) (4) "MEDIUM-DUTY TOWING" MEANS TOWING AND RECOVERY OF A VEHICLE INCLUDING TRAILERS OR SEMITRAILERS WITH A GROSS VEHICLE WEIGHT RATING BETWEEN 10,001 POUNDS AND 20,000 POUNDS FROM OVER 10,000 POUNDS TO 26,000 POUNDS.
- (6) "Nonconsensual towing" means the towing or recovery of a commercial motor vehicle which was authorized, requested, or dispatched by the Department including a request by an owner or operator of a commercial motor vehicle.
- (7) (5) "PER POUND BILLING" MEANS A METHOD OF CALCULATING A FEE FOR TOWING AND RECOVERY SERVICES USING A FORMULA THAT CONSIDERS THE WEIGHT OF THE VEHICLE, EQUIPMENT, OR CARGO THAT IS THE SUBJECT OF THE TOWING AND RECOVERY AND MULTIPLIES THE WEIGHT OF THE VEHICLE, EQUIPMENT, OR CARGO BY A MONETARY AMOUNT.
- (6) "POLICE-INITIATED TOWING" MEANS THE TOWING OR RECOVERY OF A COMMERCIAL MOTOR VEHICLE WHICH WAS AUTHORIZED, REQUESTED, OR DISPATCHED BY THE DEPARTMENT INCLUDING A REQUEST BY AN OWNER OR OPERATOR OF A COMMERCIAL MOTOR VEHICLE.
- (8) (7) "TOW LIST" MEANS THE LIST OF TOWING BUSINESSES AUTHORIZED BY THE DEPARTMENT TO PERFORM NONCONSENSUAL POLICE-INITIATED TOWING SERVICES OF DISABLED OR ABANDONED COMMERCIAL VEHICLES WITHIN THE DEPARTMENT'S JURISDICTION.
  - [(a)] **(B)** The Department shall:
- (1) establish and maintain a TOW list, by county, of qualifying tow companies for use by the Department in carrying out the duties of this subtitle; AND
  - (2) MAKE THE TOW LIST AVAILABLE TO THE PUBLIC ON REQUEST.
- [(b)] **(C)** The Department may adopt regulations to establish standards for tow companies, including application procedures and minimum qualification requirements, and must include on the list all qualifying tow companies.

# (D) THE DEPARTMENT SHALL:

- (1) ADOPT REGULATIONS ESTABLISHING THE APPROVED RATES THAT MAY BE CHARGED FOR NONCONSENSUAL MEDIUM— AND HEAVY—DUTY TOWING BASED ON HOURLY RATES FOR TOWING AND RECOVERY SERVICES AND NOT ANY OTHER METHOD OF CALCULATION INCLUDING PER POUND BILLING:
- (2) ESTABLISH INFORMATION REQUIRED TO BE INCLUDED ON AN INVOICE ASSOCIATED WITH THE NONCONSENSUAL TOWING OF A COMMERCIAL MOTOR VEHICLE:
- (3) REQUIRE A TOW COMPANY APPLYING TO THE DEPARTMENT'S TOW LIST FOR MEDIUM- AND HEAVY-DUTY TOWING TO SUBMIT A RATE SHEET THAT DOES NOT INCLUDE PER POUND BILLING;
- (2) REQUIRE A TOW COMPANY THAT MAKES AN APPLICATION UNDER PARAGRAPH (1) OF THIS SUBSECTION TO BAN THE USE OF PER POUND BILLING BY OCTOBER 1, 2023;
- (3) REQUIRE THE DEPARTMENT TO MAKE EACH TOW COMPANY'S RATE SHEET REQUIRED UNDER ITEM (1) OF THIS SUBSECTION AVAILABLE ON REQUEST; AND
- (4) DEVELOP A PROCESS TO RECEIVE, INVESTIGATE, AND ADJUDICATE COMPLAINTS FROM A VEHICLE OWNER OR OPERATOR OR THE OWNER'S DESIGNEE AGAINST AN AUTHORIZED TOW COMPANY REGARDING THE NONCONSENSUAL POLICE—INITIATED TOWING OF A COMMERCIAL MOTOR VEHICLE, INCLUDING A PROCESS TO SUSPEND OR REMOVE AN AUTHORIZED TOW COMPANY FROM THE TOW LIST; AND
- (4) MAKE THE APPROVED RATES AVAILABLE TO THE PUBLIC ON REQUEST.
- (E) AN AUTHORIZED TOW COMPANYMAY CHARGE LESS THAN BUT MAY NOT CHARGE MORE THAN THE APPROVED RATES ON THE RATE SHEET SUBMITTED TO THE DEPARTMENT FOR A NONCONSENSUAL POLICE—INITIATED TOWING.
- (F) IF A VEHICLE OWNER OR THE OWNER'S DESIGNEE REQUESTS THE USE OF A SPECIFIC TOWING COMPANY, THE DEPARTMENT SHALL HONOR THAT REQUEST AND ALLOW THE VEHICLE OWNER TO ENGAGE THE SERVICES OF THE REQUESTED TOWING COMPANY EXCEPT WHEN:
- (1) THE REQUESTED TOWING COMPANY CANNOT ARRIVE AT THE LOCATION OF THE VEHICLE WITHIN A REASONABLE TIME PERIOD:

- (2) A TRAFFIC SAFETY PROBLEM EXISTS AND THE REQUESTED TOWING COMPANY CANNOT ARRIVE AT THE LOCATION WITHIN 30 MINUTES OF A POLICE EMPLOYEE'S ARRIVAL AT THE LOCATION OF THE VEHICLE; OR
- (3) THE VEHICLE IS DISABLED IN THE ROADWAY AS A RESULT OF A COLLISION OR VEHICLE FIRE AND THE REQUESTED TOWING COMPANY CANNOT ARRIVE WITHIN 30 MINUTES OF A POLICE EMPLOYEE'S ARRIVAL AT THE LOCATION OF THE VEHICLE.

#### Article - Commercial Law

TITLE 16A. Nonconsensual Police-Initiated Towing Services.

16A-101.

- (A) (1) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "APPROVED RATES" HAS THE MEANING STATED IN § 2-314 OF THE PUBLIC SAFETY ARTICLE.
- $\frac{(3)}{(2)}$  "Authorized tow company" has the meaning stated in § 2–314 of the Public Safety Article.
- (4) (3) "Heavy-duty towing" has the meaning stated in § 2–314 of the Public Safety Article.
- (5) (4) "MEDIUM-DUTY TOWING" HAS THE MEANING STATED IN § 2-314 OF THE PUBLIC SAFETY ARTICLE.
- (6) (5) "Nonconsensual Police-Initiated Towing" has the meaning stated in § 2–314 of the Public Safety Article.
- (7) (6) "Tow list" has the meaning stated in § 2–314 of the Public Safety Article.
- (B) (1) TITLE 16 OF THIS ARTICLE DOES NOT APPLY TO NONCONSENSUAL POLICE-INITIATED TOWING SERVICES BY AN AUTHORIZED TOW COMPANY.
- (2) Nonconsensual Police-initiated towing does not create A LIEN OR SECURITY INTEREST FOR THE AUTHORIZED TOW COMPANY IN ANY EQUIPMENT, VEHICLE, OR CARGO.

- (C) AN AUTHORIZED TOW COMPANY SHALL PROVIDE A VEHICLE OWNER OR OPERATOR OR THE OWNER'S DESIGNEE WITH REASONABLE ACCESS TO A VEHICLE THAT IS THE SUBJECT OF A NONCONSENSUAL POLICE—INITIATED TOWING SO THAT THE VEHICLE OWNER OR OPERATOR OR THE OWNER'S DESIGNEE MAY ACCESS AND COLLECT ANY PERSONAL PROPERTY OR CARGO CONTAINED IN THE VEHICLE, REGARDLESS OF WHETHER ANY PAYMENT HAS BEEN MADE FOR THE AUTHORIZED TOW COMPANY'S SERVICES.
- (D) (1) IF THERE IS NO DISPUTE AS TO THE FEES ASSESSED BY THE AUTHORIZED TOW COMPANY FOR THE NONCONSENSUAL POLICE-INITIATED TOWING OF A VEHICLE:
- (I) THE VEHICLE OWNER OR OPERATOR OR THE OWNER'S DESIGNEE SHALL PAY THE AUTHORIZED TOW COMPANY'S INVOICE; AND
- (II) THE AUTHORIZED TOW COMPANY SHALL RELEASE A VEHICLE AND ANY CARGO THAT WAS THE SUBJECT OF A NONCONSENSUAL POLICE-INITIATED TOWING IMMEDIATELY.
- (2) IF THERE IS A GENUINE DISPUTE AS TO THE REASONABLENESS OR AMOUNT OF THE FEES ASSESSED BY AN AUTHORIZED TOW COMPANY:
- (I) THERE IS NO REQUIREMENT THAT THE VEHICLE OWNER PAY ANY PORTION OF THE AUTHORIZED TOW COMPANY'S INVOICE; AND
- (H) THE AUTHORIZED TOW COMPANY SHALL RELEASE THE VEHICLE AND CARGO IMMEDIATELY TO THE OWNER OR THE OWNER'S AUTHORIZED AGENT IN ACCORDANCE WITH THIS SUBSECTION ON SUBMISSION OF:
- 1. PROOF OF OWNERSHIP IF THE CARGO DOES NOT BELONG TO THE TRANSPORTATION COMPANY; OR
- 2. <u>If the cargo belongs to the transportation</u> company:
- A. A LETTER FROM THE INSURANCE COMPANY STATING
  THERE IS COVERAGE FOR THE RELEVANT CLAIM OR ACCIDENT AND INCLUDING, AT
  MINIMUM, A CLAIM NUMBER, POLICY NUMBER, AND POLICY LIMIT; OR
- B. IF AN INSURANCE POLICY REQUIRED UNDER ITEM 2
  OF THIS ITEM IS NOT HIGH ENOUGH TO COVER THE COST OF THE CARGO CLEAN-UP,
  A SIGNED LETTER OF GUARANTEE FROM THE TRANSPORTATION COMPANY; AND

- (II) THE BEGINNING OCTOBER 1, 2023, THE AUTHORIZED TOW COMPANY SHALL RELEASE THE VEHICLE TO THE OWNER OR THE OWNER'S AUTHORIZED AGENT ON PAYMENT OF 20% OF THE INVOICE BY THE VEHICLE OWNER OR OPERATOR OR THE OWNER'S DESIGNEE.
- (3) A PAYMENT UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION DOES NOT ELIMINATE THE REMAINDER OF THE FINANCIAL OBLIGATION TO THE AUTHORIZED TOW COMPANY.
- (E) THIS SUBSECTION MAY NOT BE CONSTRUED TO CONFER THE RIGHT OF AN AUTHORIZED TOW COMPANY TO RETAIN POSSESSION OF A VEHICLE OR CARGO OR TO ASSERT A LIEN ON A VEHICLE OR CARGO IF THE VEHICLE OWNER DOES NOT PAY THE INVOICE AT THE TIME THE AUTHORIZED TOW COMPANY RELEASES THE VEHICLE OR CARGO.
- (F) ON RECEIVING FROM A VEHICLE OWNER OR OPERATOR OR THE OWNER'S DESIGNEE A DEMAND FOR RETURN OF A VEHICLE OR CARGO THAT WAS THE SUBJECT OF A NONCONSENSUAL TOWING, ALL STORAGE FEES IMMEDIATELY CEASE TO ACCRUE AND AN AUTHORIZED TOW COMPANY MAY NOT CHARGE FEES BEYOND THE DATE OF THE DEMAND FOR RETURN.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 29, 2022.