

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 828

(Delegate Smith)

Environment and Transportation

Judicial Proceedings

Vehicle Towing or Removal - Parking Lots - Maximum Fees

This bill alters the basis for determining the maximum amount of the fee that a vehicle owner can be charged for a tow from a parking lot. More specifically, a person who undertakes the towing or removal of a vehicle from a parking lot may not charge the owner of the vehicle, owner's agent, insurer of record, or any secured party more than twice the amount of the *fee* (rather than total fees) normally charged or authorized for public safety impound towing by the political subdivision.

Fiscal Summary

State Effect: The bill does not affect State finances or operations.

Local Effect: The bill does not affect local government finances or operations.

Small Business Effect: Minimal, as discussed below.

Analysis

Current Law: Unless otherwise set by local law, the Transportation Article establishes maximum towing and daily storage rates for a tow from a parking lot (commonly referred to as a trespass tow), which are based on specified limits. The owner of the vehicle, owner's agent, insurer of record, or any secured party may not be charged more than (1) twice the total fees normally charged or authorized for public safety impound towing by the political subdivision and (2) the fee normally charged or authorized for the daily storage of impounded vehicles by the political subdivision from which the vehicle was towed. However, if the political subdivision does not establish a fee limit for the towing, recovery, or storage of impounded vehicles, then the cap is \$250 for towing and recovering a vehicle

and \$30 per day for storage. In addition, a tower may charge for the cost of providing notice to specified parties, but to do so, the tower must also provide the itemized cost of giving this notice.

Small Business Effect: The bill is intended to clarify the maximum fee that may be charged for a tow from a parking lot. As the bill conforms statute to an April 13, 2022 Attorney General’s opinion, it is not expected to have a meaningful effect.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 599 (Senator Carter)(By Request - Baltimore City Administration) - Judicial Proceedings.

Information Source(s): Maryland Association of Counties; Maryland Municipal League; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2023
km/ljm Third Reader - March 20, 2023

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