

SENATE BILL 40

R7

(PRE-FILED)

5lr1656
CF HB 191

By: **Senator Muse**

Requested: November 1, 2024

Introduced and read first time: January 8, 2025

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Towed, Removed, or Abandoned Vehicles – Electronic Notice to**
3 **Owner**

4 FOR the purpose of authorizing a person who tows or removes a vehicle from a parking lot
5 to provide electronic notice of the tow or removal to the vehicle owner through the
6 Motor Vehicle Administration under certain circumstances; authorizing a police
7 department that takes an abandoned vehicle into custody to send an electronic notice
8 to the last known registered owner of the vehicle through the Administration under
9 certain circumstances; and generally relating to the electronic notice to vehicle
10 owners for towed, removed, or abandoned vehicles.

11 BY repealing and reenacting, with amendments,
12 Article – Transportation
13 Section 21–10A–04, 25–204, and 25–205
14 Annotated Code of Maryland
15 (2020 Replacement Volume and 2024 Supplement)

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

18 **Article – Transportation**

19 21–10A–04.

20 (a) Unless otherwise set by local law, a person who undertakes the towing or
21 removal of a vehicle from a parking lot:

22 (1) May not charge the owner of the vehicle, the owner’s agent, the insurer
23 of record, or any secured party more than:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) Twice the amount of the total fees normally charged or
2 authorized by the political subdivision for the public safety impound towing of vehicles;

3 (ii) Notwithstanding § 16–207(f)(1) of the Commercial Law Article,
4 the fee normally charged or authorized by the political subdivision from which the vehicle
5 was towed for the daily storage of impounded vehicles;

6 (iii) If a political subdivision does not establish a fee limit for the
7 public safety towing, recovery, or storage of impounded vehicles, \$250 for towing and
8 recovering a vehicle and \$30 per day for vehicle storage; and

9 (iv) Subject to subsection (b) of this section, the actual cost of
10 providing notice under this section;

11 (2) Shall notify the police department in the jurisdiction where the parking
12 lot is located within 1 hour after towing or removing the vehicle from the parking lot, and
13 shall provide the following information:

14 (i) A description of the vehicle including the vehicle's registration
15 plate number and vehicle identification number;

16 (ii) The date and time the vehicle was towed or removed;

17 (iii) The reason the vehicle was towed or removed; and

18 (iv) The locations from which and to which the vehicle was towed or
19 removed;

20 (3) (i) **[Shall] SUBJECT TO ITEMS (II) AND (III) OF THIS ITEM,**
21 **SHALL** notify the owner and[, except as provided in item (ii) of this item,] the insurer of
22 record and any secured party by certified mail, return receipt requested, and first-class
23 mail within 7 days, exclusive of days that the towing business is closed, after towing or
24 removing the vehicle, and shall provide the same information required in a notice to a police
25 department under item (2) of this subsection; [and]

26 **(II) MAY PROVIDE NOTICE REQUIRED UNDER ITEM (I) OF THIS**
27 **ITEM TO THE OWNER ELECTRONICALLY THROUGH THE ADMINISTRATION IF:**

28 **1. THE ADMINISTRATION SENDS THE NOTICE TO THE**
29 **OWNER USING THE E-MAIL ADDRESS THE OWNER PROVIDED TO THE**
30 **ADMINISTRATION, AS SHOWN IN THE ADMINISTRATION'S RECORDS; AND**

31 **2. THE TOWER SENDS A NOTICE BY CERTIFIED MAIL,**
32 **RETURN RECEIPT REQUESTED, AND FIRST-CLASS MAIL, TO THE OWNER IF THE**
33 **OWNER DOES NOT RESPOND WITHIN 7 DAYS AFTER THE ELECTRONIC NOTICE WAS**
34 **SENT BY THE ADMINISTRATION; AND**

1 [(ii)] (III) May provide notice required under item (i) of this item to
2 any secured party or insurer of record electronically, if that form of notice is agreed to by
3 the tower and the secured party or insurer of record in writing or by electronic
4 communication;

5 (4) Shall provide to the owner, any secured party, and the insurer of record
6 the itemized actual costs of providing notice under this section;

7 (5) Before towing or removing the vehicle, shall have authorization of the
8 parking lot owner which shall include:

9 (i) The name of the person authorizing the tow or removal;

10 (ii) A statement that the vehicle is being towed or removed at the
11 request of the parking lot owner; and

12 (iii) Photographic evidence of the violation or event that precipitated
13 the towing of the vehicle;

14 (6) Shall obtain commercial liability insurance in the amount required by
15 federal law for transporting property in interstate or foreign commerce to cover the cost of
16 any damage to the vehicle resulting from the person's negligence;

17 (7) May not employ or otherwise compensate individuals, commonly
18 referred to as "spotters", whose primary task is to report the presence of unauthorized
19 parked vehicles for the purposes of towing or removal, and impounding;

20 (8) May not pay any remuneration to the owner, agent, or employee of the
21 parking lot; and

22 (9) May not tow a vehicle solely for a violation of failure to display a valid
23 current registration under § 13-411 of this article until 72 hours after a notice of violation
24 is placed on the vehicle.

25 (b) A person may not charge for the actual cost of providing notice under
26 subsection (a)(1)(iv) of this section if the vehicle owner, the owner's agent, the insurer of
27 record, or any secured party retakes possession of the vehicle within 48 hours after the
28 vehicle was received at the storage facility.

29 (c) The Administration shall:

30 (1) **ADOPT REGULATIONS TO ALLOW FOR ELECTRONIC NOTIFICATION**
31 **TO VEHICLE OWNERS UNDER SUBSECTION (A)(3)(II) OF THIS SECTION;**

1 **(2)** Establish and maintain a database containing the proper address for
2 providing notice to an insurer under subsection **[(a)(3)] (A)(3)(III)** of this section for each
3 insurer authorized to write a vehicle liability insurance policy in the State; and

4 **[(2)] (3)** Make the database **REQUIRED UNDER ITEM (2) OF THIS**
5 **SUBSECTION** available to any tower free of charge.

6 (d) An agreement to provide notice electronically made in accordance with
7 subsection **[(a)(3)(ii)] (A)(3)(III)** of this section shall remain in effect until terminated by
8 either party.

9 25–204.

10 (a) (1) As soon as reasonably possible and within 7 days at most after it takes
11 an abandoned vehicle into custody, a police department shall send a notice, by certified
12 mail, return receipt requested, bearing a postmark from the United States Postal Service,
13 to:

14 (i) **[The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,**
15 **THE** last known registered owner of the vehicle; and

16 (ii) Subject to paragraph **[(2)] (3)** of this subsection, each secured
17 party, as shown on the records of the Administration.

18 **(2) A POLICE DEPARTMENT MAY NOTIFY THE LAST KNOWN**
19 **REGISTERED OWNER ELECTRONICALLY THROUGH THE ADMINISTRATION IF:**

20 **(I) THE ADMINISTRATION SENDS THE NOTICE TO THE OWNER**
21 **USING THE E-MAIL ADDRESS THE OWNER PROVIDED TO THE ADMINISTRATION, AS**
22 **SHOWN IN THE RECORDS OF THE ADMINISTRATION; AND**

23 **(II) THE POLICE DEPARTMENT SENDS THE OWNER NOTICE BY**
24 **CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND FIRST-CLASS MAIL, IF THE**
25 **OWNER DOES NOT RESPOND WITHIN 7 DAYS AFTER THE ELECTRONIC NOTICE WAS**
26 **SENT BY THE ADMINISTRATION.**

27 **[(2)] (3)** A police department may send notice to any secured party
28 electronically, if that form of notice is agreed to by the police department, the tower, and
29 the secured party in writing or by electronic communication.

30 (b) The notice shall:

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

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

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

4 (4) (i) Inform the owner and secured party of the owner's and secured
5 party's right to reclaim the vehicle within 3 weeks after the date of the notice, on payment
6 of all towing, preservation, and storage charges resulting from taking or placing the vehicle
7 in custody; or

8 (ii) In Baltimore City and Montgomery County, subject to subsection
9 (a)(2) **AND (3)** of this section, be sent by certified mail, return receipt requested, and inform
10 the owner and secured party of the owner's and secured party's right to reclaim the vehicle
11 within 11 working days after the receipt of the notice, on payment of all towing,
12 preservation, and storage charges resulting from taking or placing the vehicle in custody;
13 and

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

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

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

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

21 (c) In Baltimore City, Prince George's County, and Montgomery County, a police
22 department or its agent may seek to recover costs of impoundment, storage, and sale of a
23 vehicle as provided by §§ 25–206.1 and 25–206.2 of this subtitle. If a police department or
24 its agent seeks to apply the provisions of §§ 25–206.1 and 25–206.2 of this subtitle, the
25 notice required by this section shall also state that the failure of the owner or secured party
26 to exercise the right to reclaim the vehicle in the time provided may cause:

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

28 (i) Impoundment;

29 (ii) Storage within the chargeable limit for storage as provided in §
30 25–206.1(b) of this subtitle; and

31 (iii) Sale of the vehicle; and

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

1 **(D) THE ADMINISTRATION SHALL ADOPT REGULATIONS TO ALLOW FOR**
2 **ELECTRONIC NOTIFICATION TO THE LAST KNOWN REGISTERED OWNER OF A**
3 **VEHICLE UNDER SUBSECTION (A)(2) OF THIS SECTION.**

4 25–205.

5 (a) This section applies if:

6 (1) The identity of the last registered owner of an abandoned vehicle cannot
7 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 and
10 address of each secured party;

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

13 (5) The electronic [notice] **NOTICES** authorized under [~~§ 25–204~~] §
14 **25–204(A)(2) OR (3)** of this subtitle [is] **ARE** not acknowledged or [is] **ARE** returned as
15 undeliverable.

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

20 (c) The notice:

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

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

23 (3) Shall be posted:

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

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

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2025.