

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 883

(Senator James)

Judicial Proceedings

Environment and Transportation

Post-Towing Procedure Workgroup - Establishment

This bill establishes the Post-Towing Procedure Workgroup, staffed by the Department of Commerce, to identify and examine post-towing procedures relating to the towing or removal of motor vehicles from privately owned parking lots in accordance with Title 21, Subtitle 10A of the Transportation Article. In conducting the examination, the workgroup must also formulate recommendations on what measures would need to be in place or required to comply with due process requirements under State and federal law in order to establish a legally enforceable possessory or statutory lien as part of post-towing procedures, including any notice requirements. By December 1, 2025, the workgroup must report its findings and recommendations to the General Assembly. **The bill takes effect June 1, 2025, and terminates June 30, 2026.**

Fiscal Summary

State Effect: Commerce can staff the workgroup with existing resources. Expense reimbursements for workgroup members are assumed to be minimal and absorbable within existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Towing and daily storage rates are based on the limits set by the political subdivision for a public safety tow from which the vehicle was towed, or if no limit is

established, no more than \$250 for towing and \$30 per day for storage. A tower may also charge the cost of providing notice to specified parties, but the tower must also provide the itemized cost of giving this notice.

In addition, towing services are required to notify police within one hour of the tow and photograph the violation or event that precipitated the violation. The tower must provide specified notice to the owner of the vehicle, as well as any secured party, and the vehicle's insurer, within seven days of the vehicle's removal from a parking lot, not including days that the towing business is closed.

A towing service that tows a vehicle from a parking lot is prohibited from charging for the actual cost of providing the required notice of the tow if the vehicle's owner or agent, insurer, or any secured party retakes possession of the vehicle within 48 hours of the vehicle being received by the storage facility.

The Motor Vehicle Administration must maintain a database of addresses for providing notice to an insurer and make the database available to towers free of charge.

Additional Information

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

Designated Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Judiciary (Administrative Office of the Courts); Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - February 27, 2025
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