



TRUCK RENTING AND LEASING ASSOCIATION

HEARING DATE: February 10, 2022

BILL NO/TITLE: House Bill 487 – Commercial Vehicles - Nonconsensual Towing - Requirements

COMMITTEE: House Environment and Transportation

POSITION: Support

My name is Jake Jacoby, and I am writing to you on behalf of the members of the Truck Renting and Leasing Association (TRALA) to express our support for House Bill 487. TRALA is a national trade association representing nearly 500 companies who rent and lease trucks across North America with a sizable footprint throughout the state of Maryland. Our members rent and lease all sizes of trucks to a wide range of customers from consumer box trucks to large Class 8 tractor trailers. TRALA strongly supports HB 487 because it establishes basic consumer protections for our nation's motor carriers and truck drivers that are involved in a nonconsensual tow dispatched by the Maryland State Police (MSP).

Typically, when a commercial truck is involved in an accident, the towing company is dispatched by the MSP to help those in the accident by protecting their lives and property. This is known as nonconsensual towing, and it occurs frequently. The problem stems from not having any sort of law in place to regulate predatory towing companies from being able to inflate their invoices and charge trucking companies, in some cases, thousands of dollars for towing.

Due to the lack of regulations, tow companies can set their own towing rates and there is no available recourse currently for TRALA members that are impacted by fraudulent towing companies. This results in TRALA members and other truck companies having to deal with a large logistical and administrative burden let alone deal with the excessive costs to free their vehicles. Currently, when TRALA members receive bills from tow truck companies that are inflated, they re-bill the cost to their insurance carrier for payment. Often times insurance companies will refuse to pay the cost of the tow which ultimately forces the TRALA member to have to pay for the nonconsensual tow out of their own pocket.

TRALA is pleased to support House Bill 487 as it addresses the issues of predatory towing by implementing the following:

- Defines nonconsensual tow to include all MSP dispatched tows;
- Requires the MSP to establish approved rates, similar to what the Maryland Transportation Authority already has in place;
- Prohibits the use of per pound billing, which is a method of billing based on the registered weight limit of a vehicle, not the actual weight of the vehicle or the work that was performed;
- Gives vehicle owners and operators an option to choose their own towing company if it can be done safely and within a reasonable amount of time;
- Clarifies existing law by restating that there is no lien created on any equipment, vehicle, or cargo as a result of a nonconsensual tow; and
- Establishes a comprehensive complaint process to ensure that towing companies charge fair and equitable rates for the service they provide.

TRALA has made many attempts over the years to speak with the towing industry and the MSP directly to voice its concerns over being unfairly targeted by nonconsensual tows but have been unsuccessful. TRALA members and its customers (i.e. Maryland consumers) should have some basic protections in place from fraudulent towing companies that have been taking advantage of trucking companies for years. House Bill 487 provides solutions to the trucking companies from problems that stem from nonconsensual towing with virtually no impact to the legitimate towing companies in Maryland. It is for these reasons that I urge the Maryland General Assembly to swiftly approve House Bill 487 and have it sent to Governor Hogan for his signature.

Respectfully,

A handwritten signature in black ink, appearing to read "Jake Jacoby". The signature is fluid and cursive, with the first and last names being the most prominent.

Jake Jacoby
President & CEO