

**TRALA letter of support for HB 487.pdf**

Uploaded by: Elizabeth Hyers

Position: FAV



## **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 name "Jake" and last name "Jacoby" clearly distinguishable.

Jake Jacoby  
President & CEO

# **NICB Letter in Support of MD HB 487 - Nonconsensua**

Uploaded by: Eric De Campos

Position: FAV



February 3, 2022

The Honorable Kumar Barve and Members of the Committee  
House Standing Environment and Transportation Committee  
Room 251  
House Office Building  
Annapolis, MD 21401

Dear Chairman Barve and Members of the Committee:

I am writing on behalf of the National Insurance Crime Bureau (“NICB”) in support of House Bill 487, an act relating to nonconsensual towing.

Headquartered in Des Plaines, Illinois, and with a 108-year history, the National Insurance Crime Bureau is the nation’s premier not-for-profit organization exclusively dedicated to leading a united effort to prevent insurance fraud and crime through intelligence-driven operations. NICB sits at the intersection between the insurance industry and law enforcement, helping to identify, prevent, and deter fraudulent insurance claims. NICB’s approximately 400 employees work with law enforcement entities, government agencies, prosecutors, and international crime-fighting organizations in pursuit of its mission. While NICB provides value to our member companies, we also serve a significant public benefit by helping to stem the estimated billions of dollars in economic harm that insurance crime causes to individual policy holders across the country every year.

NICB maintains operations in every state around the country, including in Maryland where NICB works together with law enforcement, state agencies, and prosecutors in a joint effort to protect Maryland consumers. NICB is an unmatched and trusted partner in the fight against insurance fraud.

Automobile accidents remain a significant issue for policymakers across the country. According to the Centers for Disease Control and Prevention, road traffic crashes are the leading cause of death in the United States for people aged 1-54. Accidents often cause significant strain on victims. In addition to dealing with any serious injuries that may result, victims must often report to law enforcement and file insurance claims. Handling ongoing medical issues; managing follow-up appointments with either medical professionals, insurance carriers, or law enforcement agencies; and providing additional written material that may be required all pose significant burdens on victims as they deal with the after-effects of their misfortune.

This high-stress situation creates the perfect opportunity for unscrupulous towing companies to exploit accident victims. Some towers often take advantage of confusion at the accident scene or even after the fact by falsely claiming the tower was dispatched by an insurer or police. NICB has seen examples of towers charging accident victims exorbitant fees for a tow requiring only a few-miles – sometimes as high as \$10,000 for a single, routine tow. In some situations, the towing company will hold the car hostage until the towing fee is paid, all the while racking up significant storage fees. Moreover, predatory towers have been known to tack on vague fees such as “transfer,” “gate,” gasoline, or excessive administrative fees.

In July 2018, the National Council of Insurance Legislators (NCOIL) adopted model towing legislation aimed at better protecting consumers. Several states and municipalities have followed suit over the past few years, directly responding to these malicious practices by enacting their own towing-reform legislation or bills based on the NCOIL model.

House Bill 487 aims to protect Maryland drivers in a number of ways, including requiring the Department of State Police to: create a publicly available list of towing companies authorized to perform nonconsensual towing services for commercial vehicles; establish qualification standards for towing companies seeking inclusion on this list; adopt regulations establishing approved rates for nonconsensual towing of commercial vehicles and restricting a towing company's ability to charge above the established rate; and adopt further regulations to investigate and adjudicate complaints. The bill will also require reasonable access to a vehicle regardless of payment and restricts storage fees at the time of demand in the event of a non-consensual towing.

These measures will help reduce the risk of entities engaging in unscrupulous towing practices, address the common issue of exorbitant towing fees, and establish needed regulations for nonconsensual towing. **Accordingly, NICB respectfully requests your support for House Bill 487.** We thank you for considering our views as you deliberate the merits of this bill. We strongly encourage you to utilize NICB as a resource and partner in the fight against unscrupulous towing activities.

If you have any questions or need additional information, please contact me at [edecampos@nicb.org](mailto:edecampos@nicb.org) or 847.989.7104.

Respectfully,



Eric De Campos  
Director, Government Affairs  
National Insurance Crime Bureau  
847.989.7104  
[edecampos@nicb.org](mailto:edecampos@nicb.org)

# **HB487 - Cowan Systems - Support.pdf**

Uploaded by: Herman Funk

Position: FAV



4555 Hollins Ferry Road  
Baltimore, Maryland 21227  
Phone: 443-297-1314

---

HEARING DATE: February 10, 2022

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

COMMITTEE: House Environment and Transportation

POSITION: Support

Cowan Systems, LLC strongly supports HB487. Maryland business is being preyed upon by unscrupulous tow operators who avoid normal competitive market forces with the unwitting assistance of law enforcement. HB 487 would shine the light of competition on the rates and billing practices of tow operators utilized by law enforcement, provide Maryland business with a mechanism for adjudicating complaints and remove unscrupulous operators from the process.

After a simple one-vehicle rollover accident in 2020, Cowan Systems received an invoice for \$72,000 from the tow operator. Invoices for this sort of tow currently average about \$25,000 to \$30,000. The invoice in question used a fictitious “per pound” billing method, and included “misc. truck restocking fees” and charges for food and drink for the tow operator’s employees.

Recently we received an invoice from a Maryland tow operator charging \$2,500 per hour for a rotator crane. Customarily, invoices range from \$900 up to \$1,250 per hour for this equipment.

After a recent crash, the tow company sent us two invoices, one for the tractor and one for the trailer, each in excess of \$25,000, just for *towing* a slightly damaged tractor and a completely undamaged trailer approximately three miles. These invoices were also calculated using the fictitious “per pound” billing method, and a fictitious 80,000 pound weight for the tractor-trailer (our truck actually weighed less than 36,000 pounds at the time of the crash).

Invoices often include hourly charges for time spent waiting. Often an “administrative fee” of thousands of dollars is appended, seemingly as a throw-away which is removed if challenged. Equipment and cargo is unlawfully detained to compel payment.

These practices unfairly prey on small business and require larger businesses like ours to expend time and money on unnecessary litigation.

Thank You.

Cowan Systems, LLC and its related companies are the largest transportation, logistics and warehousing provider headquartered in Maryland. We operate over 2,300 power units.

For Further Information, please contact: Herman Funk, Jr. at 443.297.1314



**Foley\_487.pdf**

Uploaded by: Linda Foley

Position: FAV



THE MARYLAND HOUSE OF DELEGATES  
LEGISLATIVE DISTRICT 15 · MONTGOMERY COUNTY

**LINDA FOLEY**  
ENVIRONMENT AND TRANSPORTATION  
COMMITTEE

6 Bladen Street, Room 220  
Annapolis, MD 21401

410-841-3052 · 301-858-3052  
800-492-7122 Ext. 3052

[Linda.Foley@house.state.md.us](mailto:Linda.Foley@house.state.md.us)

Testimony: HB487 - Commercial Vehicles - Nonconsensual Towing - Requirements  
Committee: Environment and Transportation  
Hearing Date: February 10, 2022

I urge a favorable report for HB487, currently titled Commercial Vehicles - Nonconsensual Towing - Requirements.

This bill will be amended to use the term “police-initiated towing”, instead of “nonconsensual towing” to specifically mean the moving, transporting, or recovery of a commercial vehicle and/or its cargo at the discretion of the State Police.

This important, yet simple bill, ensures that medium and heavy-weight trucking companies have the choice and option of which companies tow their inoperable vehicles on state roads. This bill is specific to Maryland’s state roads. This is important because when a large truck is incapacitated on a state road, the Maryland State Police currently use a tow list to call for the towing of these disabled trucks. The State Police choose the towing company.

In recent years, some towing companies on the State Police’s tow list have changed the way they charge commercial vehicles for towing their rigs and cargo, specifically by implementing a per-pound billing practice that is not uniform and often subjective.

Cargo from these trucks that are towed often is held until payment of what are sometimes exorbitant towing and storage charges. The cargo usually is owned by another company that is not the trucking company. This, in effect, creates an unwarranted lien on the cargo, that doesn’t belong to either the towing company or the shipping trucker.

As we all know, a supply chain crisis over the past two years has caused shortages in Maryland grocery stores; chip shortages that cause electronic products and cars to cost more; and other shortages that Marylanders encounter nearly every day. Holding cargo items garnered in a police-initiated tow exacerbates the supply chain crisis in our state, which is why it is important that cargo can be released in an appropriate manner and timeframe.



THE MARYLAND HOUSE OF DELEGATES  
LEGISLATIVE DISTRICT 15 · MONTGOMERY COUNTY

**LINDA FOLEY**  
ENVIRONMENT AND TRANSPORTATION  
COMMITTEE

6 Bladen Street, Room 220  
Annapolis, MD 21401

410-841-3052 · 301-858-3052  
800-492-7122 Ext. 3052

[Linda.Foley@house.state.md.us](mailto:Linda.Foley@house.state.md.us)

This bill does the following:

1. Requires the Maryland State Police to establish approved towing rates, similar to what the Maryland Transportation Authority already does.
2. Prohibits the use of per-pound billing, which is based on a registered vehicle weight plus the maximum load it's permitted to carry, and not on the actual weight of the vehicle or the work that was performed by the towing company.
3. Gives vehicle owners and operators an option to choose their own towing company, if the towing can be done safely and within a reasonable amount of time.
4. Clarifies existing law by restating that there is no lien created on any equipment, vehicle, or cargo as a result of a police-initiated tow.
5. Establishes a comprehensive complaint process to ensure that towing companies charge fair and equitable rates for the service they provide.

It is the state's responsibility to ensure that there are fair and equitable towing practices, especially for commercial trucking companies that are critical to the functioning of Maryland's economy. This is a simple and specific bill to address these concerns. It creates a framework for addressing problems related to police-initiated towing on our state roads. I urge a favorable report.

# **HB487 - Maryland Motor Truck Association - Support**

Uploaded by: Louis Campion

Position: FAV



# Maryland Motor Truck Association

9256 Bendix Road, Suite 203, Columbia, MD 21045

Phone: 410-644-4600 Fax: 410-644-2537



**HEARING DATE:** February 10, 2022

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

**COMMITTEE:** House Environment and Transportation

**POSITION:** Support

Maryland Motor Truck Association wholeheartedly offers its support for HB487, which would establish 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).

When a truck is involved in an accident on a state highway, a towing company is typically dispatched by the MSP from its tow list. The trucking industry refers to these as "nonconsensual tows" because the vehicle owner or operator has no choice in the selection of the towing company. MMTA understands that nonconsensual towing may be necessary in certain circumstances situations involving disabled vehicles, blocked roadways, and motor vehicle accidents. Unfortunately, there are no consumer protections to address longstanding abusive practices by many tow companies. This includes charging excessive rates (see Exhibits), illegally holding vehicles and cargo hostage until the owners or their insurers pay the exorbitant fees, and double billing insurance carriers for the same incident.

Recent examples of this problem include:

- **Exhibit A:** Sullivan's Garage issued an invoice on August 28, 2020 in the amount of \$141,975 for a single vehicle rollover accident.
- **Exhibit B:** Ted's Towing issued two invoices on July 22, 2020 totaling \$86,237 for a single vehicle rollover accident. The company was on the scene for less than an hour and a half and towed the vehicle less than a mile.
- **Exhibit C:** McNeal's Towing issued an invoice on August 22, 2020 in the amount of \$72,000 for a single vehicle rollover accident.
- **Exhibit D:** Sullivan's Garage issued an invoice on June 5, 2020 in the amount of \$77,100 for a single vehicle rollover accident. The recovery efforts took under two hours.

Compounding the issue of excessive invoices, tow companies are illegally holding truck, trailer and cargo hostage. In many cases, the trucking company does not own the trailer or the cargo inside of it. This places a vehicle owner in a precarious situation, as they are often desperate for the return of their vehicle and their customer's trailer and cargo so they can continue in business. Many have no choice but to pay the excessive invoices. In most instances, the towers are also continuing to charge daily storage fees, using the continued accrual of charges as additional leverage.

MMTA has also seen that many towers are engaging in practices of double billing for nonconsensual tows by sending multiple, identical invoices for the same services to different insurance companies. For example, it is not uncommon to see identical invoices being sent to the vehicle's liability insurer, the physical damage insurer, and the cargo insurer, in an attempt to collect from multiple sources. This practice can result in towers receiving payment for more than the amount of the invoices.

The passage of HB487 would:

- Require the Maryland State Police to establish and publish approved rates. This is similar to a requirement that is already occurring on the Maryland Transportation Authority's toll roads.

- Clarify existing law by restating that there is no lien created on any equipment, vehicle, or cargo as a result of a nonconsensual tow.
- Require the State Police to establish a comprehensive complaint and disciplinary process for tow companies on the MSP tow list that includes potential expulsion as a disciplinary action.
- Prohibit the use of per pound billing, which is a method of billing based on the registered weight of a vehicle, not the actual weight of the vehicle or the work that was performed.
- Give 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 – a practice that already exists on the Transportation Authority’s roadways.

As noted above, the Maryland Transportation Authority already provides numerous protections against hostage towing on the state’s tolled highways, yet it has no problems finding tow companies willing to provide these services. Many counties also regulate heavy-duty towing. These include Montgomery County, Baltimore County, Anne Arundel County and Harford County.

For more than five years the trucking industry in Maryland has attempted to address these challenges cooperatively with the towing industry and the Maryland State Police, yet no action has been taken. It is clear these tow companies have no intention of trying to resolve this unless mandated to do so by the General Assembly. Their egregious rates show a continued pattern of escalation, and towers have admitted in depositions that they are asserting liens on commercial vehicles and cargo to secure payment.

Virtually every good we use gets to retail stores and our homes thanks to the trucking industry. With the explosion of e-commerce and online shopping, trucking is in greater demand than ever. The actions of these towers jeopardize our fragile supply chain. Without trucks, there is no food on the grocery shelves, there are no medical supplies in hospitals, and there are no vaccines in pharmacies. Now more than ever, the resilience and integrity of our supply chain needs to be protected. The men and women delivering these vital goods deserve the basic consumer protections offered in HB487. MMTA urges a favorable report.

**About Maryland Motor Truck Association:** Maryland Motor Truck Association is a non-profit trade association representing the trucking industry since 1935. In service to its 1,000 members, MMTA is committed to supporting and advocating for a safe, efficient, and profitable trucking industry across all sectors and industry types, regardless of size, domicile, or type of operation.

**For further information, contact:** Louis Campion, (c) 443-623-4223

Companies Expressly Supporting House Bill 487



**BREEDING**  
ROLL OFF SERVICE



William N. Mason Inc.

SULLIVAN'S GARAGE  
 7318 GOLDEN RING ROAD  
 ESSEX, MARYLAND 21221  
 FIN # 520803422  
 410-686-8536

Date: 08-28-2020

# Exhibit A

**Incident:** tractor trailer through guardrail, off road down embankment @ 50'  
**Location:** 95 SB @ mm 79.0, Joppa, Maryland  
**Truck Company:** [REDACTED]  
**Truck Information:** [REDACTED]  
**Trailer Information:** [REDACTED]

<b>08-28-2020 Recovery equipment truck, trailer, cargo:</b>	
85 ton rotator recovery unit # 8	
80 ton rotator recovery unit # 34	
80 ton rotator recovery unit # 35	
35 ton recovery unit # 11	
emergency response rigging unit # 20	
2 recovery supervisor	
6 riggers	
<b>PPP recovery total weight, gradient resistance, surface resistance factors 105,000 pounds X \$1.07 = \$ 112,350.00</b>	
road tractor with 55 ton lowboy trailer # 18 transport trailer	= \$ 03,750.00
road tractor with 55 ton lowboy trailer # 19 transport tractor	= \$ 03,750.00
rollback # 2 transport debris	= \$ 01,500.00
pressure wash all rigging, lowboy trailers, inspect rigging, place back in service	= \$ 01,500.00
<b>08-28-2020- Recovery, cleanup, transport</b>	<b>= \$122,850.00</b>
<b>08-30-2020 equipment for debris removal and debris cleanup:</b>	
80 ton rotator recovery unit # 34	
Road tractor and tilt deck trailer # 19	
Skid steer grapple attachment	
20 yard roll off container	
emergency response rigging unit # 20	
1 safety supervisor	
4 laborers	
<b>08-30-2020 equipment for debris removal, debris cleanup, debris disposal:</b>	<b>= \$ 19,125.00</b>
<b>TOTAL</b>	<b>= \$ 141,975.00</b>
<b>Storage tractor @ \$90.00 per day starting on 08-29-2020 thru</b>	
<b>Storage trailer @ \$180.00 per day starting on 08-29-2020 thru</b>	

Invoice # 174547



# Exhibit B

## Ted's Towing

4920 Hazelwood Ave

Baltimore, MD 21206

Ph: 410-325-6700 Fax: 410-866-6192

tedstowing4920@gmail.com

## Invoice #P-144735

Date: 7/22/2020

**For:**

Cash / C.O.D

Due Date	Terms	P.O. Number
	Due upon receipt	

**From:** I-695 & Chesaco Ave, Rosedale, MD 21237  
**To:** Ted's Quad Ave, 6716 Quad Ave, Baltimore, MD 21237  
**Owner:** [REDACTED]

**Service Date:** 7/22/2020 1:53:00 PM

**Driver:** 12

**Ticket #:**

**Reason For Call:** Overturned

**Phone #:**

**Member #:**

Vehicle	VIN	Veh #	Tag	State	Odometer
Freightliner Tractor Trailer		[REDACTED]			

Qty	Service	Rate	Adjustment	Tax	Amount
26,810.00	Rollover Recovery	\$1.25	\$0.00	\$0.00	\$33,512.50
1.00	Tractor Trailer Tow	\$0.00	\$0.00	\$0.00	\$0.00
1.00	Remove Drive Shaft & Supply Tow Lights	\$0.00	\$0.00	\$0.00	\$0.00
8.00	Labor	\$0.00	\$0.00	\$0.00	\$0.00
1.00	Yard Work Stack trailer onto another [REDACTED] when ready	\$0.00	\$0.00	\$0.00	\$0.00
0.00	Storage Daily None until 7/31/20	\$180.00	\$0.00	\$0.00	\$0.00
<b>Total Amount Due</b>					<b>\$33,512.50</b>

**Received By:**

**Date:**

# Exhibit B

## Ted's Towing

4920 Hazelwood Ave

Baltimore, MD 21206

Ph: 410-325-6700 Fax: 410-866-6192

tedstowing4920@gmail.com

## Invoice #P-144749

Date: 7/22/2020

**For:**

Cash / C.O.D

Due Date	Terms	P.O. Number
	Due upon receipt	

**From:** 695 & Chesaco Ave, Rosedale, MD 21237

**Service Date:** 7/22/2020 2:50:00 PM

**To:** Ted's Quad Ave, 6716 Quad Ave, Baltimore, MD 21237

**Driver:** 12

**Owner:** [REDACTED]

**Ticket #:**

**Reason For Call:** Overturned

**Phone #:**

**Member #:**

Vehicle	VIN	Veh #	Tag	State	Odometer
Steel Coil 42,180 LBS		[REDACTED]			

Qty	Service	Rate	Adjustment	Tax	Amount
42,180.00	Recovery	\$1.25	\$0.00	\$0.00	\$52,725.00
1.00	Lowboy Service	\$0.00	\$0.00	\$0.00	\$0.00
8.00	Labor	\$0.00	\$0.00	\$0.00	\$0.00
1.00	Yard Work Crane off once in Ted's yard	\$0.00	\$0.00	\$0.00	\$0.00
1.00	Yard Work Crane on a [REDACTED] truck when ready	\$0.00	\$0.00	\$0.00	\$0.00
0.00	Storage Daily Non until 7/31/20	\$90.00	\$0.00	\$0.00	\$0.00
<b>Total Amount Due</b>					<b>\$52,725.00</b>

**Received By:**

**Date:**

Fed Tax ID# 52-0786029

# Exhibit C

McNeal's Towing/Car & Truck Repair Inc.  
 510 Orems Rd.  
 Suite H  
 Baltimore, MD 21221

## Invoice

Date	Invoice #
8/22/2020	008825

Bill To

P.O. No.	Terms	Due Date		
██████████	Due on receipt	8/22/2020		
Description	Qty	Rate	Amount	
Labor for safety of setting up traffic organization pattern directing drivers away from closed ramp during recovery and clean up	80,000	0.02	1,600.00	
Misc. is truck restocking fee	80,000	0.02	1,600.00	
Offsite cleaning and lubricating of equipment used during recovery	80,000	0.04	3,200.00	
Recovery supplies, operator equipment, cribbing, misc. Woods and truck supplies	80,000	0.02	1,600.00	
Onsite Concession Supplying all Operators, riggerd, laborers, and supervisors with the ability to hydrate and supply themselves with essential nutrients and supplements during incliment weather, conditions and emergency recovery stress. Over 80 degrees fahrenheit				
IF BILL IS PAID WITHIN 30 DAYS THERE WILL BE A TWO PERCENT DISCOUNT ON THE TOTAL BILL. IF INVOICE EXCEEDS 30 DAYS PAYMENT A FIVE PERCENT LATE FEE WILL BE ADDED TO TOTAL BILL.				
Sales Tax		6.00%	0.00	
<b>Total</b>			<b>\$72,000.00</b>	
<b>Payments/Credits</b>			<b>\$0.00</b>	
<b>Balance Due</b>			<b>\$72,000.00</b>	

Phone #	Fax #
410-391-4485	410-687-9105

# Exhibit D

SULLIVAN'S GARAGE  
7318 GOLDEN RING ROAD  
ESSEX , MARYLAND 21221  
FIN # 520803422  
410-686-8536

Date: 06-05-2020

Incident: tractor trailer overturned blocking roadway, trailer cargo out of trailer, tractor over guardrail

Location: I-695 SB @ mm 38

Insurance Company:

Claim#

Truck Company: [REDACTED]

USDOT#

Truck Information: [REDACTED]

Recovery equipment list truck, trailer and cargo:	
1 85 ton rotator recovery unit	
1 80 ton rotator recovery unit	
1 35 ton recovery unit	
Road tractor	
Emergency response rigging unit	
Rollback for debris and contaminated rigging	
Road tractor with specialized 12" drop side lowboy	
(1) safety scene and rigging supervisor	
(4) additional riggers	
Cleanup of all rigging and equipment	
<b>Recovery, initial transport billed PPP loaded tractor trailer 80,000 pounds @ \$.87 per pound</b>	<b>= \$ 69,600.00</b>
<b>Secondary transport to [REDACTED] tractor, trailer, remove trailer after unloaded, cleanup</b>	<b>= \$ 07,500.00</b>
Outside storage tractor @ \$90.00 per day starting on 06-06-2020 thru	= \$
Inside storage trailer cargo @ \$750.00 per day starting on 06-06-2020 thru	= \$
<b>SubTotal - Port to Port, Recovery, cleanup, secondary transport, NO STORAGE</b>	<b>= \$ 77,100.00</b>

# **HB487 - Lightning Transportation - Support.pdf**

Uploaded by: Matt Hines

Position: FAV



**“SHIP TO SHORE AND BEYOND”**

**Hearing Date: February 10, 2022**

**Bill No./Title: House Bill 487 – Commercial Vehicles - Nonconsensual Towing - Requirements**

**Committee: House Environment and Transportation**

**Position: Support**

Lightning Transportation Inc., has been in business since 1987 and is a For-Hire – Property Carrying Motor Carrier, based in Hagerstown, MD, that provides ocean container drayage services, including imports and exports through the Ports of Baltimore, MD, Norfolk, VA, Charleston, SC, Savannah, GA and rail service in Atlanta, GA. Lightning Transportation Inc. provides delivery service with approximately 335-350 Owner Operators and their trucks, to a variety of customers, delivering furniture, tires, machinery, equipment, and a multitude of other various goods. We utilize over 75 drivers in the Baltimore Port Region, each of which is a small business owner, who depend on their truck as their sole livelihood.

I am Matt Hines, Director of Safety for Lightning Transportation Inc., for over 9 and half years. I have over 30 years in the trucking industry in the state of Maryland and Florida. I have over 23 years in the Safety arena and have responded to and investigated numerous road accidents and dealt with the recovery of cargo and equipment on many occasions.

I am writing to you in support of HB 487, which will help protect Maryland’s Motor Carriers and Owner Operators against predatory towing fees charged by towing companies in Non-Consensual Tows dispatched by the Maryland State Police (MSP) or other law enforcement agencies. These tows can place a tremendous financial demand on the carrier, the Owner Operators and delay the delivery of goods to both Maryland and outlying state’s customers, further encumbering our vital supply chain.

When a towing company is called out by the police, without the consent or knowledge of the motor carrier, it allows the towing company to monopolize their services, even for one instant and charge literally any price they want to the motor carrier. Usually, by the time the motor carrier is notified of the accident, their equipment may have already been towed or the towing company could already be on scene, leaving the motor carrier with no option or means to control their cost. In almost every case I have been associated with, the towing company holds both the truck and trailer, including the cargo inside, until the entire bill is paid. Even when different insurance companies are responsible for the

equipment and offers to pay a partial invoice for the trailer and cargo release are requested, they are usually denied. This is leveraged to force you to pay the outrageous price or accrue more storage fees for each piece of equipment. I would also add that it typically takes days, if not weeks, to even receive an invoice, which is also a tactic to accrue more storage fees. I believe strongly that the other reason for the delay in providing an invoice is because there are no guidelines or regulatory perimeters set for towing companies to provide standard fees, so they take their time creating an invoice with exorbitant fees, hoping the carrier will want their equipment badly enough to just pay it.

I want to provide you with a few examples:

1. Baltimore City - Truck and trailer, loaded with cargo, that was leaning against a utility pole on the driver side. Police called a towing company, local response, and they brought two rotator trucks out to hook cables to the truck and trailer and lower it down on the passenger side wheels. They were on scene under 1 hour! Our driver then drove his truck and trailer less than 1 mile to our yard and dropped the loaded trailer. The towing company called and demanded \$11,000 for payment over the phone. I asked to speak to a supervisor and declined to pay the charges over the phone until I could discuss the charges. The tow company came onto our property, hooked to the loaded trailer with no permission, and took it to their yard to hold hostage until payment was made. I had to pay \$1,000 to an attorney to send them a letter, demanding release of my cargo, which they refused. Since the chassis was damaged, I needed the loaded container lifted onto another chassis to deliver it to our customer, which they agreed to do if I paid the \$11,000. It took nearly a week to have this work completed before my load and equipment was released.
2. Hagerstown – MD State Police - Empty trailer and a truck fire on I70, just a few miles from our home office in Hagerstown. MSP called a towing company without giving us the opportunity to call someone on our own and we were charged \$10,182.50 and the trailer was not released for nearly two weeks.
3. Myersville – MD State Police - Loaded container and another truck fire resulting in a driver fatality in Myersville, MD., MSP called a tow company from Gaithersburg, MD., who charged \$30,155.39 just for the initial towing and response.

These are just some examples of actual events that occurred. Keep in mind, that there are many other costs associated with the delays caused by these tows. The steam ship line imposes daily per diem fees

on containers not returned to the port of \$150-\$300 after the free time allowed has expired. Chassis providers charge \$15+ per day for rentals, which can add up over time. Not only is the carrier losing potential for revenue, so is the Owner Operator, while they are waiting for their truck to be released and damages assessed before repairs or settlement can be made. During this time the driver is not working, not making money, not paying bills!

The laws of supply and demand and free market do not apply in the case of the “Non-Consensual tow”. There is no competition here, only a monopolizing towing company that had the good fortune to be called out by the police and given a blank check to fill out for the motor carrier to get their equipment returned.

Thank you for the opportunity to provide testimony on this issue.

Contact: Matt Hines, (c) 301-331-6347

16820 C Blake Road ♦ Hagerstown, MD 21740

Phone: 301-582-5700 ♦ Fax: 301-582-5896 ♦ <http://www.lightningtrans.com>



# **HB 487 Hearing Testimony.pdf**

Uploaded by: Michael Matousek

Position: FAV



**Owner-Operator Independent Drivers Association, Inc.**

**National Headquarters: OOIDA Building, I-70 at Grain Valley Exit  
1 NW OOIDA Drive, P.O. Box 1000, Grain Valley, MO 64029**

**Tel: (816) 229-5791 Fax: (816) 427-4468**

**Email: [ooida@ooida.com](mailto:ooida@ooida.com) web site: [www.ooida.com](http://www.ooida.com)**

Hearing Date: February 10, 2022

Bill No. / Title: House Bill 487 – Commercial Vehicles – Nonconsensual Towing

Committee: House Environment and Transportation

Position: Support

The Owner-Operator Independent Drivers Association (OOIDA) submits the following written testimony in support of HB 487, legislation that would establish basic consumer protections for truck drivers and motor carriers that are involved in a nonconsensual tow in Maryland.

OOIDA is a national trade association that represents roughly 150,000 small-business motor carriers and professional truck drivers, including nearly 1,700 who reside in Maryland. Our members regularly become victims of unscrupulous towing and recovery companies that continue to take advantage of the system, often times inflating their invoices by tens of thousands of dollars.

A nonconsensual tow includes those dispatched by the Maryland State Police (MSP) to assist with the recovery of a commercial motor vehicle. The problem is not with MSP, but rather with those companies that price gouge. In other words, there are no rules in place to prevent towing companies from charging whatever they want, which is a loophole they clearly use to their advantage.

As HB 487 is being considered, I want to make a few key points:

- (1) This is a national problem. It is not unique to Maryland;
- (2) The proposed rules in HB 487 should have little impact on towing and recovery companies that do things the right way. We have seen this in other states that have already addressed this issue; and
- (3) We are coming to the legislature as a last resort. Despite our best efforts, the towing and recovery industry has no interest in resolving our concerns in any meaningful way.

HB 487 would establish a complaint process, prohibit the use of per pound billing, clarify that towing companies have no right to a lien, and give truck drivers and motor carriers the option to use their tower of choice. These are consumer protections that are long overdue and we are

confident, if enacted, they would mitigate the damage being inflicted upon unsuspecting truck drivers and motor carriers by dishonest towing companies in Maryland.

Enclosed with this testimony is two examples of fraudulent and excessive invoices that our members are accustomed to in Maryland. As it stands now, there is simply no recourse which is precisely why HB 487 is so critically important.

Thank you for your time and support of HB 487. Please contact me directly at (816) 229-5791 ext. 1603 or [mike\\_matousek@ooida.com](mailto:mike_matousek@ooida.com) should you have any questions or require additional information.

# Phillips Garage.pdf

Uploaded by: Michael Matousek

Position: FAV

# PHILLIPS GARAGE, INC.

*EASTERN SHORE RHINO LININGS*

P.O. Box 213 / 119 East Main St.  
Sudlersville, MD 21668  
(410)438-3183  
292 ADMG

Year Make. 2020 Towing Service  
Engine L4 1.6L Vin:-  
License CARGO\_001  
MLG in/out 0000 / 0000  
Vin  
RECOVERY

Date 06/20/20    Schedule 06/20/20    **INVOICE :**    10:14 am    Page 1

REMARKS AND LABOR DESCRIPTIONS	HRS	PRICE	PARTS & LUBRICANTS	QTY	PRICE	TOTAL
-- MSP CALL OUT FOR ACCIDENT / RECOVERY OF LOADED, OVERTURNED TRACTOR TRAILER ON RT. 301 CHURCH HILL, MD. ARRIVED TO FIND LOADED TRUCK AND TRAILER ON ITS SIDE IN THE NUD IN CENTER MEDIAN. TRAILER WAS FULLY LOADED WITH MANGOS. BOXEX WERE BROKEN AND LOOSE. ATTEMPTED TO UPRIGHT THE TRAILER WITH AIR BAGS AND ROTATORS. WAS NOT ABLE TO UPRIGHT. TRAILER WAS BREAKING. UNLOADED MANGOS BY HAND AND PUT IN 30 YARD CONTAINERS. PHILLIPS SENT OUT RESPONSE TEAM OF 2 50 TON ROTATORS ALONG WITH AN ADDITIONAL 75 TON ROTATOR, SERVICE TRUCK, ROLLBACKS WITH SKID STEERS AND BUCKETS. SPILL RESPONSE TEAM WAS ALSO ON SIGHT. 80,000 PONDS @ .95 PER	80000.	76000.0				

DATE    TIME    PHONE    APPROVED    AMOUNT  I acknowledge notice and oral approval of an increase in the original estimated price	All Parts Are New Unless Shown As (U) Used or (R) Rebuilt	Labor Sublet	Parts & Lubricants  EPA Shop Supplies Gasoline Sub Total Sales Tax Deposit Disc. Applied
--	--	-----------------	---

CHARGE

**X**

.....  
**ACCEPTANCE SIGNATURE**  
I accept the charges and terms of this agreement.

**TOTAL BALANCE DUE**

# PHILLIPS GARAGE, INC.

*EASTERN SHORE RHINO LININGS*

P.O. Box 213 / 119 East Main St.  
Sudlersville, MD 21668  
(410)438-3183  
292 ADMG

Year Make. 2020 Towing Service  
Engine L4 1.6L Vin:-  
License CARGO\_001  
MLG in/out 0000 / 0000  
Vin  
RECOVERY

Date 06/20/20 Schedule 06/20/20 **INVOICE :** 10:14 am Page 2

REMARKS AND LABOR DESCRIPTIONS	HRS	PRICE	PARTS & LUBRICANTS	QTY	PRICE	TOTAL
POUND			OIL DRY MATERIAL	1.00	75.00	75.00
--- LOT / ADMIN FEE	1.00	275.00				
--- DISPOSAL SERVICE FOR CLEAN UP OF MANGOS. TRI AXLE TRUCK WITH CONTAINERS - 7.0	7.00	2625.00				
--- DISPOSAL SERVICE FOR TAKING CONTAINERS TO LAND FILL - 4.5	4.50	1687.50				
--- ESTIMATED DIPOSAL FEES FROM LAND FILL - 2001 PETERBILT - VIN #j	1.00	1281.50				
TRAILER - 2012 UTILITY TRAILER VIN						
--- TOWING OF TRACTOR & TRAILER BACK TO SUDLERSVILLE	1.00	575.00				
--- STORAGE OF TRACTOR @ 110.00 PER DAY	10.00	1100.00				
--- STORAGE OF TRAILER @ 110.00 PER DAY	10.00	1100.00				

DATE	TIME	PHONE	APPROVED	AMOUNT	All Parts Are New Unless Shown As (U) Used or (R) Rebuilt	Labor Sublet	Parts & Lubricants
I acknowledge notice and oral approval of an increase in the original estimated price							EPA Shop Supplies Gasoline Sub Total Sales Tax Deposit Disc. Applied

CHARGE

X

**ACCEPTANCE SIGNATURE**  
I accept the charges and terms of this agreement.

**TOTAL  
BALANCE DUE**

# PHILLIPS GARAGE, INC.

*EASTERN SHORE RHINO LININGS*

P.O. Box 213 / 119 East Main St.  
Sudlersville, MD 21668  
(410)438-3183  
292 ADMG

Year Make. 2020 Towing Service  
Engine L4 1.6L Vin:-  
License CARGO\_001  
MLG in/out 0000 / 0000  
Vin  
RECOVERY

Date 06/20/20 Schedule 06/20/20 **INVOICE :** \_\_\_\_\_ 10:14 am Page 3

REMARKS AND LABOR DESCRIPTIONS	HRS	PRICE	PARTS & LUBRICANTS	QTY	PRICE	TOTAL
** ESTIMATED TRACOR RECOVERY PORTION - 38000.00 PLUS STORAGE *** ESTIMATED TRAILER RECOVERY PORTION - 38000.00 PLUS STORAGE						

<p>DATE TIME PHONE APPROVED AMOUNT</p> <p>.....</p> <p>I acknowledge notice and oral approval of an increase in the original estimated price</p>	<p>All Parts Are New Unless Shown As (U) Used or (R) Rebuilt</p>	<p>Labor 84644.00 Sublet 0.00</p>	<p>Parts &amp; Lubricants 75.00</p> <p>EPA 0.00 HAZ MAT 22.50 Gasoline 0.00 Sub Total 84741.50 Sales Tax 5.85 Deposit 0.00 Disc. Applied 0.00</p>
--	--	---------------------------------------	---

CHARGE

**X**

.....

**ACCEPTANCE SIGNATURE**  
I accept the charges and terms of this agreement.

I authorize the above repairs and necessary materials. Your employees may operate vehicle for inspection, testing, delivery at my risk. You will not be responsible for loss or damage to vehicle or items left in it. I agree to pay reasonable storage on vehicle left more that 3 working days after notification that job is completed. Labor is guaranteed 90 days or 4000 miles whichever occurs first. All other guarantees are made by the manufacturer. Warrantee work based on this bill must be performed at this shop. All parts are new unless specified as (U) used or (R) rebuilt. REMOVED PARTS WILL BE DISPOSED OF UNLESS I INITIAL HERE \_\_\_\_\_.

**TOTAL 84747.35**  
**BALANCE DUE 84747.35**

# **The Auto Barn.pdf**

Uploaded by: Michael Matousek

Position: FAV



# The Auto Barn Inc

2930 James St (Tow yard: 2125 W Lafayette Ave), Baltimore MD 21230  
 Phone: 410-362-0117 / 410-646-2610 | Fax : (410) 646-2011

# Impound Invoice

Printed 2/19/2021

Invoice # 27476  
 Purchase Order #  
 Driver initials  
 Driver initials  
 Account MD State Police MSP Glen Burnie  
 Date/Time Impounded: 2/14/2021 5:30 AM

VIN Number  
 Model  
 License Plate  
 Towed from west 50 @ patuxent river rd  
 Stored at The Auto Barn Inc.  
 2125 W Lafayette Ave, Baltimore MD 21217

Storage charges	Quantity	Price	Line Total
(Storage - Storage Fees) Storage (Police - MSP - Daily Rate)	5	\$450.00	\$2,250.00
Towing charges	Quantity	Price	Line Total
(Towing) Hourly Rate (Wrecker #16)	8	\$1,500.00	\$12,000.00
(Towing) Recovery (Rotator used)	7	\$2,500.00	\$17,500.00
(Towing) Clean Up	7	\$750.00	\$5,250.00
(Towing) Hourly Rate (Rollback #49)	7	\$750.00	\$5,250.00
(Towing) Safety Manager / Supervisor	1	\$2,275.00	\$2,275.00
(Towing) Labor - (Equipment - Forklift / Backhoe / Etc) (Recovery truck)	6	\$1,200.00	\$7,200.00
(Towing) Hourly Rate (Wrecker #19)	8	\$1,500.00	\$12,000.00
(Towing) Hourly Rate (Landall #51)	7	\$950.00	\$6,650.00
<b>Towing Subtotal</b>			\$68,125.00
<b>Storage - Storage Fees Subtotal</b>			\$2,250.00
<b>Subtotal</b>			\$70,375.00
<b>Taxes</b>			\$0.00
<b>Grand Total</b>			\$70,375.00
<b>Amount Due:</b>			<b>\$70,375.00</b>

By signing you are attesting that you are legally authorized and entitled to take possession of the vehicle described and all personal property therein. For questions and/or concerns regarding this invoice, the reason for your impound, or the condition of your vehicle, please see the cashier at the Reclaim Window to request an incident report. Incident Reports must be filed within 24hrs of reclaiming the vehicle. All incident reports are forwarded to the General Manager, Ronald Rucker, and will typically be responded to within 3-5 business days. ----- \*\*\*Towing from Private Property Facilities is regulated by CITY CODE ARTICLE 31, SUBTITLE 21 and by CITY CODE ARTICLE 15, SUBTITLE 22. For complaints please call the Baltimore City Towing Board at 410-545-3377 ----- \*\*\*\*Towing from Private Property Facilities is regulated by COUNTY CODE, TITLE 24, ARTICLE VI, SECTION 24.221, ET. SEQ. For complaints please call the Department of Permits and Development Management at 410-887-3616 ----- \*\*\*If you vehicle was towed from Howard County and you have questions or wish to obtain a copy of the law, Contact the Office of Consumer Affairs at 410-313-6420

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

USDOT: 608721

**HB487\_MAPDA\_fav (2022).pdf**

Uploaded by: Mike O'Halloran

Position: FAV



Mid-Atlantic Petroleum Distributors Association  
P.O. Box 711 ★ Annapolis, MD 21404  
410-693-2226 ★ www.mapda.com

TO: House Environment and Transportation Committee

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: February 10, 2022

RE: **SUPPORT HOUSE BILL 487** – Commercial Vehicles – Nonconsensual Towing – Requirements

On behalf of Maryland's convenience stores and energy distributors, MAPDA offers its support to HB487 – legislation that would establish protections for motor carriers and truck drivers that are involved in a nonconsensual tow dispatched by the Maryland State Police.

A nonconsensual tow is a term used when a tow company is dispatched, often times by the Maryland State Police (MSP), to the site of an accident without the go-ahead from the vehicle owner or operator as to which tow company is used. Often times, our truckers fall prey to abusive practices by tow companies. Those practices include exorbitant fees and holding vehicles and/or cargo hostage until those invoices are settled.

HB487 would require the MSP to establish and publish approved rates for towing. The bill will also clarify existing law that no lien on equipment, cargo, or vehicles may be placed as the result of a nonconsensual tow. Also included is the establishment, by MSP, of a comprehensive process by which drivers can file a complaint against tow companies listed on the MSP's tow list. Finally, and perhaps most importantly, HB487 would also give vehicle owners and operators the option to choose their own towing company provided it can be done safely and within a reasonable amount of time.

For these reasons, MAPDA supports HB481 and **requests a favorable committee report.**

**Feeding and fueling the economy through gas, coffee, food, heating oil and propane.**

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.

**HB 487 APCA Coalition Letter of Support02102022.**

Uploaded by: Nancy Egan

Position: FAV



Coalition Against  
Insurance Fraud



American Property Casualty  
Insurance Association  
INSURING AMERICA apci.org



MRA

Maryland Retailers Association



February 8, 2022

Dear Members of the Maryland General Assembly:

We write to you in support of House Bill 487, legislation that would establish some basic consumer protections for our nation's motor carriers and truck drivers that are involved in a nonconsensual tow in Maryland. We appreciate your consideration of this important issue.

When a big truck is involved in an accident, generally a towing company is dispatched by the Maryland State Police (MSP) as part of their effort to aid those involved and protect both lives and property. These are referred to as "nonconsensual tows." Currently, neither the MSP nor Maryland law provide any consumer protections to address longstanding abusive practices used by fraudulent towing companies engaged in nonconsensual towing.

Unfortunately, there are far too many examples of towing companies that charge excessive rates, in some cases inflating their invoices by tens of thousands of dollars. In short, they can charge whatever they want because there is nothing that says they can't, nor is there any practical or meaningful recourse for a motor carrier, truck driver, insurer, or any other entity that is directly or indirectly impacted by a fraudulent towing company.

These inflated bills are submitted to insurance carriers for payment and when an insurance carrier rightfully refuses to pay, it drives a wedge between the policyholder (motor carrier, truck driver, or both) and their insurer when neither have done anything wrong. Or, by illegally asserting a lien on the truck, trailer, and/or cargo, many of these towing companies can effectively coerce carriers, drivers and insurers to pay their outrageous charges.

HB487 does the following:

1. Defines nonconsensual tow to include all Maryland State Police dispatched tows;
2. Requires the Maryland State Police to establish approved rates, similar to what the Maryland Transportation Authority already has in place;
3. Prohibits the use of per pound billing, which is a method of billing based on the registered weight of a vehicle, not the actual weight of the vehicle or the work that was performed;

4. 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;
5. 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
6. Establishes a comprehensive complaint process to ensure that towing companies charge fair and equitable rates for the service they provide.

Despite our good faith efforts over the last several years working directly with the towing industry and the MSP, we have been unable to address any of our concerns. Our members – and ultimately Maryland consumers – deserve basic protections from unscrupulous towing companies that have been exploiting the system for decades. This legislation accomplishes that and it was written with our shared goal of minimizing the impact these new protections would have on reputable towing companies in Maryland.

Our coalition represents tens of thousands of businesses involved in trucking and insurance. We hope HB 487 will be approved by the Maryland General Assembly and signed into law by Governor Hogan as soon as possible so we can begin what will be a relatively lengthy, transparent, and fair process to implement these necessary consumer protections.

Respectfully,

Louis Campion  
Maryland Motor Truck Association

Mike Matousek  
Owner-Operator Independent Drivers Association

Cailey Locklair  
Maryland Retailers Association

Matthew Smith, Esq.  
Coalition Against Insurance Fraud

Nancy J Egan, [nancy.egan@apci.org](mailto:nancy.egan@apci.org) 443-841-4174  
American Property Casualty Insurance Association

John Lynch  
American Trucking Associations

# **HB0487\_FAV\_NWRA\_Commercial Vehicles - Nonconsensua**

Uploaded by: Pam Kasemeyer

Position: FAV

**Maryland-Delaware Solid Waste Association**

a chapter of the

**National  
Waste & Recycling  
Association<sup>SM</sup>**

Collect. Recycle. Innovate.

TO: The Honorable Kumar P. Barve, Chair  
Members, House Environment and Transportation Committee  
The Honorable Linda Foley

FROM: Pamela Metz Kasemeyer  
J. Steven Wise  
Danna L. Kauffman

DATE: February 10, 2022

RE: **SUPPORT** – House Bill 487 – *Commercial Vehicles – Nonconsensual Towing – Requirements*

---

The Maryland Delaware Solid Waste Association (MDSWA), a chapter of the National Waste and Recycling Association, is a trade association representing the private solid waste industry in the State of Maryland. Its membership includes hauling and collection companies, processing and recycling facilities, transfer stations, and disposal facilities. MDSWA and its members **support** House Bill 487.

House Bill 487 establishes a framework to ensure the fair and equitable treatment of motor carriers and truck drivers that are involved in a nonconsensual tow that is dispatched by the State Police under certain circumstances when the disabled vehicles are blocking roadways, involved in an accident, or otherwise creating a safety hazard as determined by the State Police. Under these circumstances, a towing company is dispatched by the State Police from its tow list and the vehicle owner or operator has no choice in the selection of the towing company. Unfortunately, unlike nonconsensual towing on toll roads by the Maryland Transportation Authority, there are no consumer protections for nonconsensual tows on state highways that address the long-standing abusive practices by many tow companies that include illegally holding vehicles and cargo until the payment of excessive rates and double billing insurance carriers for the same incident.

House Bill 476 requires the Maryland State Police to establish approved towing rates, which is analogous to a requirement that is already occurring on the Maryland Transportation Authority's toll roads. It should be noted that the Authority has had no trouble enlisting towers to do nonconsensual tows. It also requires the State Police to establish a comprehensive complaint and disciplinary process for tow companies on their tow list that includes potential expulsion as a disciplinary action. Further, the legislation clarifies existing law by restating that there is no lien created on any equipment, vehicle, or cargo as a result of a nonconsensual tow; prohibits the use of per pound billing, which is a method of billing based on the registered weight of a vehicle, not the actual weight of the vehicle or the work that was performed; and 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 – another practice that already exists on the Transportation Authority’s roadways.

In addition to the Maryland Transportation Authority’s already existing protections against egregious towing practices, many Counties also regulate heavy duty towing. Despite attempts by the trucking industry to address these issues with the towing industry, their rates for nonconsensual tows continue to escalate and they are increasingly asserting liens on commercial vehicles and cargo to secure payment. House Bill 487 reflects basic consumer protections already in place on other roadways that have proven to be fair and acceptable to all parties. MDSWA urges a favorable report.

**For more information call:**

Pamela Metz Kasemeyer

J. Steven Wise

Danna L. Kauffman

410-244-7000

**HB 487\_MAA\_FAV.pdf**

Uploaded by: Rachel Clark

Position: FAV

CHAIRMAN:  
Rob Scrivener  
VICE CHAIRMAN  
Brian Russell

**MARYLAND ASPHALT ASSOCIATION**



SECRETARY:  
David Slaughter  
TREASURER:  
Jeff Graf  
PRESIDENT:  
G. Marshall Klinefelter

February 10, 2022

Delegate Kumar P. Barve, Chair  
House Environment and Transportation Committee  
Room 251, House Office Building  
Annapolis, Maryland 21401

**RE: HB 487 – FAVORABLE – Commercial Vehicles – Nonconsensual Towing – Requirements**

Dear Chair Barve and Members of the House Environment and Transportation Committee:

The Maryland Asphalt Association (MAA) is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. We proactively work with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 487 would require the Maryland State Police to establish a schedule of approved towing rates for "nonconsensual tows," in which a company is dispatched to tow a vehicle that has been involved in a collision, along with a comprehensive complaint and disciplinary process to handle allegations of violations. The bill would also give vehicle owners and operators the option to choose their own towing company in these circumstances, so long as the company in question can arrive on the scene and tow the vehicle safely and within a reasonable amount of time. Lastly, the bill would prohibit the use of per pound billing based on the registered weight of the vehicle and clarify that nonconsensual tows do not create any lien on the equipment, vehicle, or cargo being towed.

MAA supports HB 487 because it would increase consumer choice and improve transparency in the towing industry. Currently, neither the Maryland State Police nor the Transportation Article of the Maryland Code provide any consumer safeguards against abusive practices used by fraudulent towing companies engaged in nonconsensual towing. Nothing prevents these towers from charging excessive rates because the motor carrier has no ability to select the tower of its choice, and many then file illegal liens on the property to force drivers and operators to pay the inflated charges. This bill would standardize the nonconsensual towing practice and implement a process to address any grievances associated with it.

We appreciate you taking the time to address this important issue, and we urge a favorable report on House Bill 487.

Thank you,

Marshall Klinefelter  
President  
Maryland Asphalt Association

**HB 487\_MTBMA\_FAV.pdf**

Uploaded by: Rachel Clark

Position: FAV



February 10, 2022

Delegate Kumar P. Barve, Chair  
House Environment and Transportation Committee  
Room 251, House Office Building  
Annapolis, Maryland 21401

**RE: HB 487 – FAVORABLE – Commercial Vehicles – Nonconsensual Towing – Requirements**

Dear Chair Barve and Members of the House Environment and Transportation Committee:

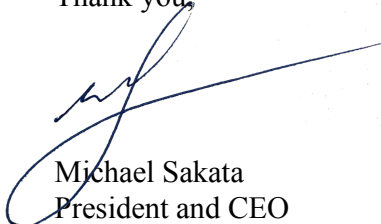
The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

House Bill 487 would require the Maryland State Police to establish a schedule of approved towing rates for “nonconsensual tows,” in which a company is dispatched to tow a vehicle that has been involved in a collision, along with a comprehensive complaint and disciplinary process to handle allegations of violations. The bill would also give vehicle owners and operators the option to choose their own towing company in these circumstances, so long as the company in question can arrive on the scene and tow the vehicle safely and within a reasonable amount of time. Lastly, the bill would prohibit the use of per pound billing based on the registered weight of the vehicle and clarify that nonconsensual tows do not create any lien on the equipment, vehicle, or cargo being towed.

MTBMA supports HB 487 because it would increase consumer choice and improve transparency in the towing industry. Currently, neither the Maryland State Police nor the Transportation Article of the Maryland Code provide any consumer safeguards against abusive practices used by fraudulent towing companies engaged in nonconsensual towing. Nothing prevents these towers from charging excessive rates because the motor carrier has no ability to select the tower of its choice, and many then file illegal liens on the property to force drivers and operators to pay the inflated charges. This bill would standardize the nonconsensual towing practice and implement a process to address any grievances associated with it.

We appreciate you taking the time to address this important issue, and we urge a favorable report on House Bill 487.

Thank you,



Michael Sakata  
President and CEO  
Maryland Transportation Builders and Materials Association

**HB 487-TRPM-Nonconsensual Towing-OPPOSE.pdf**

Uploaded by: Andrea Mansfield

Position: UNF



## Towing & Recovery Professionals of Maryland

P.O Box 905 \* Huntingtown, Maryland 20639

410-414-5406 \* 1-800-244-0102 \* Fax 410-414-5408

### MEMORANDUM

TO: The Honorable Kumar P. Barve, Chair and Members of the Environment and Transportation Committee

FROM: Jeffrey O. Hurley, Sr, President, Towing & Recovery Professionals of Maryland  
Ted Dent, 1<sup>st</sup> Vice President, Towing & Recovery Professionals of Maryland

DATE: February 10, 2022

RE: **HB 487 Commercial Vehicles – Nonconsensual Towing - Requirements**

POSITION: **OPPOSE**

The Towing Recovery Professionals of Maryland TRPM OPPOSE HB 487. While TRPM has no concerns with language in the bill to create a fair and equitable tow list and making the tow list and rates available to the public, the bill seems to be lacking in process and raises a number of concerns with how rates will be set and operations. These concerns are listed below.

**Approved Rates (Pg. 2, lines 1-4)** – The definition of approved rates fails to recognize the complexity of doing so. The cost of towing varies by region and by the type of equipment that is necessary. While the bill refers to rates approved by the Department of State Police, there is no process to draw upon the expertise of the industry to determine how rates will be set.

**Definition of Heavy-Duty Towing and Medium-Duty Towing; Add Ultra-Heavy-Duty Towing (Pg. 2, lines 8-11)** – Definitions are inaccurate. Medium-Duty Towing should be defined as 14,001-26,000 lbs. Heavy-Duty Towing should be defined as 26,001-59,999 lbs. Ultra-Heavy-Duty should be defined as over 60,000 lbs.

**Definition of “Nonconsensual Towing” (Pg. 2, lines 14-17)** – Definition in the bill is contradictory. Nonconsensual towing does not include when the owner or operator gives consent to the towing. One option for addressing this is striking the definition of “nonconsensual towing” and clarifying the type of towing situations in which this bill would apply.

**Per Pound Billing (Pg. 2, lines 18-22 and Pg. 3, lines 2-5)** – This method of billing has been an industry standard. The Maryland Motor Vehicle Administration uses weight to determine registration fees and currently bills tow trucks by the pound. Trucks transporting freight are also weighed on our highways. While TRPM would support the establishment of reasonable rates with a process to do so, per pound billing should be a component of that and not discontinued. This would be the fairest approach to determining rates.

**Release of Vehicle and Cargo Generally and When a Dispute Arises (Pg. 4 and 5)** – This language is of great concern to TRPM and establishes a precedent where towing companies may not receive payment for their work. Pg. 4, lines 22-28 allows the vehicle owner/operator to access and collect any personal property or cargo contained in the vehicle regardless of payment. What incentive does an owner/operator have to pay the towing company if they already have their personal belongings and cargo out of the vehicle.

Should a dispute arise over the charges, sometimes a placing a lien on the vehicle is the only way a tower can receive payment for services. Language on page 5 of the bill specifies that if a dispute arises there is no requirement that the vehicle owner pay any portion and the tow company shall release the vehicle and cargo. Towing companies cannot provide a reasonable service without the assurance of being paid for those services.

TRPM understands the importance of this issue and appreciates the conversations thus far with the sponsor. This is a complicated issue, particularly the setting of fees, and it will take time to get it right. TRPM would like to continue working cooperatively with the Committee to address mutual concerns.



# **towing opposition hb487 - Google Docs.pdf**

Uploaded by: Barbara Zektick

Position: UNF

February 8, 2022

Delegate Kumar Barve  
Chair, Environment and Transportation Committee  
Room 251, House Office Building  
Annapolis, Maryland 21401

**Re: Opposition to HB 487, Commercial Vehicles - Nonconsensual Towing - Requirements**

Dear Mister Chair and Members of the House Environment and Transportation Committee:

On behalf of a consortium of towing companies located in the greater Baltimore area, including Frankford Towing Inc., Mel's Towing and Service Center Inc., Tauber's Towing, and Ted's Towing Service Inc., I respectfully submit my opposition to House Bill 487.

This bill proposes unduly restrictive, "one size fits all" mandates on services contracted for by the Maryland State Police to remove and recover commercial vehicles and their cargo from Maryland's roads. In many if not most cases, commercial vehicle towing and recovery jobs involve the complicated towing, recovery and clean-up of large, heavy duty vehicles - trucks, buses, oversized cargo, and the like.

Ted's Towing Service Inc. ("Ted's Towing") has engaged specifically in heavy duty towing services in the Baltimore area since 1931, and Tauber's Towing has operated in Anne Arundel County since 1947. We are licensed tow companies for the Maryland State Police, Baltimore City Police Department, and the Anne Arundel and Baltimore county police departments. Ted's alone has approximately 47 vehicles in its fleet, including four heavy duty rotators, 18 heavy duty tow trucks, seven medium duty rollbacks, seven tractors and 11 trailers. Ted's also has an array of miscellaneous equipment used for heavy duty towing and recovery jobs such as forklifts, roll-off cans, arrow boards, light towers, skid steers, and tele-handlers. Needless to say, none of this equipment is inexpensive, nor easy, to purchase, insure, and maintain - especially during a global pandemic.

Generally, heavy duty towing involves one or both of two services: clearing roadways of large disabled vehicles, and recovery services. The latter includes a wide range of innumerable, often unforeseeable situations, including but not limited to righting and removing large vehicles overturned on the side of the road; winching and pulling large vehicles out of ditches and waterways; gathering and removing materials and cargo of all sorts, hazardous and otherwise, from public roadways; and reloading tractor trailers with said disrupted cargo. That cargo can include any type of material you could possibly imagine. See, for one example, the *New York Times'* coverage of last month's truck crash in Pennsylvania, ["Questions Remain After Highway Crash Involving Monkeys."](#)

In short, towing companies like Ted's Towing must respond immediately to significantly emergent events at a moment's notice, not knowing beforehand what to expect, what equipment or materials need be involved, or whether any lives stand at stake.

Therefore, it is entirely unfeasible to predetermine, much less codify in law, what our companies may charge, what equipment they may bring, or how many hours they may work to remedy these life or death emergencies.

A recent press release issued by the Coalition Against Insurance Fraud in support of this bill includes the following quote from Robert Passmore, vice president of auto & claims policy at the American Property Casualty Insurance Association:

*Insurance is subject to a state-based regulatory system, which benefits both consumers and insurers. It is not unreasonable to think the towing industry should have to play by some rules and we think it can be done in a way that would minimize the impact on towing companies that do things the right way.*



We agree. Ted's Towing and Tauber's Towing are two such companies that "do things the right way" - and have for nearly a century. This bill has absolutely nothing to do with righting insurance fraud (which is already illegal) and everything to do with unreasonably constraining our first responders' partners in keeping our highways and motorists safe. We stand ready and willing to participate in meaningful conversations aimed at protecting our roads, law enforcement, and law-abiding contractors like ourselves. For one example: insurance companies could insist towing companies provide photographic evidence of equipment they used along with their invoices. This would be reasonable and easy.

Unfortunately, this legislation does not provide reasonable constraints to protect against insurance fraud, but rather, hamstring good businesses and partners to law enforcement in keeping our streets and motorists safe. Therefore, we respectfully request an unfavorable report on House Bill 487.



Sincerely,  
Paula Protani  
Owner/Partner  
Frankford Towing, Mel's Towing, Ted's Towing, and Tauber's Towing

**MD HB 487\_ TRAA\_2022 2 8.pdf**

Uploaded by: Cynthia Martineau

Position: UNF

*The Voice of America's Towing Industry*

## **TOWING AND RECOVERY ASSOCIATION OF AMERICA, INC.®**

700 12<sup>th</sup> St. NW  
Suite 700  
Washington DC 20005



Website: [www.traaonline.com](http://www.traaonline.com)  
Email: [contact@traaonline.com](mailto:contact@traaonline.com)  
Phone/Fax: 888.392.9300

February 8, 2022

The Towing and Recovery Association of America, Inc.® (TRA) is the voice of the towing industry. The towing and recovery industry in the United States is comprised of over 35,000 towing companies operating more than 210,000 commercial motor vehicles and employing over 350,000 professionals nationwide. As the only national association for the industry, TRAA represents every one of them.

Tow operators perform an essential service in clearing the roadways as quickly as possible. According to the National Highway Traffic Safety Administration (NHTSA), nearly 35% of all secondary incidents occur because of congestion related to an original incident. Furthermore, motor vehicle crashes on our nation's roadways cost society roughly \$7,300 per second. Clearing roadway incidents in a safe and expedient manner must be performed by professional tow operators with the proper equipment.

TRA has reviewed the proposed Commercial Vehicles – Nonconsensual Towing – Requirements legislation (SB0613 and HB0487). TRAA shares in your desire to promote public safety, professionalism, and uniformity in the towing industry as it relates to non-consensual towing and recovery in the state of Maryland. The current legislation has some admirable proposals and language, such as creating a fair and equitable tow list, establishing certain requirements, and making the rates available to the public (pg. 1, line 3). However, we have serious concerns regarding the implementation of those requirements and rates:

1. Firstly, the definition of "Approved Rates" raises concerns (pg. 2, sec. 2). While on the surface this seems simple, the reality is much more complicated. The cost of performing a towing and recovery for the service provider varies greatly by region. For example, operating in a large city requiring more equipment, staff, and higher overhead costs than a small town. The current legislation does not address how the rates will be determined or by whom. Rate regulation must be done in a fair and equitable manner allowing for a reasonable profit margin. In the same way as our incident management fire, police, and EMS partners, towing companies must be ready to respond to an incident at a moment's notice. That readiness to respond 24/7 generates additional staffing and equipment costs. As with any small business, towing companies will not be able to keep providing the service if companies are not allowed to realize a reasonable profit and the safety of both roadside responders and the motoring public will suffer.
2. Second, the definition of heavy and medium-duty towing is inaccurate (pg. 2 sec. 4 & 5). Medium-duty is defined as 14,001-26,000 lbs. and heavy-duty is 26,001-59,999 lbs. Additionally, the legislation does not mention ultra-heavy-duty tow trucks over 60,000 lbs.
3. The definition of "Non-Consensual Towing" is contradictory (pg. 2, sec. 6). A customer request is when the customer gives consent for the tow company to perform a service and, therefore, is by definition a consensual tow.
4. The "Per Pound Billing" method has been utilized for decades within the industry (pg. 2, sec. 7). In fact, the acceptance of this method has already been set with the Maryland DMV using weight to determine registration fees. Note, the Maryland DMV currently bills tow trucks by the pound using five different weight categories. Additionally, United States Postal Service (USPS), FedEx, and United Parcel Service (UPS) all use per pound

billing. TRAA questions the legality of banning an independent business billing practice, especially one that is utilized in other industries and by Maryland state agencies (pg. 3, sec. D, 1).

5. Lastly, the proposed legislation gives a great deal of latitude to the Department of State Police without reasonable check and balances (pg. 2 sec. 8 - pg. 3). A few of the most egregious sections are:
  - a) There is no mention of how the requirements and qualifications will be determined or who is going to adjudicate complaints. Other states with compliant resolution mechanisms in place clearly defined in the legislation.
  - b) Has law enforcement been consulted regarding the consensual towing response to a scene within 30-minutes from when law enforcement arrives on-scene? Per the National Highway Traffic Safety Administration (NHTSA), every 1 minute a travel lane is shutdown causes a 6% increase in secondary incidents which seriously endangers both roadside responders and the motoring public.
  - c) It is unrealistic to expect towers to provide an emergency response service in clearing the roadway and risking their own safety without being compensated. While towing companies prefer to be paid through standard methods, sometimes a lien on a vehicle is the only way a tower can get compensated for providing the service. The proposed legislation prevents a towing company from placing a lien on a vehicle involved in a non-consensual tow (pg. 4, sec. B, 2). Additionally, the legislation also states that, "*the tow company shall release a vehicle and any cargo that was the subject of a non-consensual towing immediately*" (pg. 5, sec. 2, II). The proposed legislation even prevents towing companies from charging storage to cover the overhead on the land or space holding and protecting the towed vehicle (pg. 5). Who decides the reasonableness or amount of the fees? As mentioned above, other states with compliant resolution mechanisms and parameters in place clearly defined in the legislation. Towing companies cannot provide a reasonable service without the assurance that they will be paid for those services.

The current version of Commercial Vehicles – Nonconsensual Towing – Requirements legislation (SB0613 and HB0487) would have a devastating effect on the Maryland towing industry and result in delayed roadway clearance, increased secondary crashes, and create an unsafe environment for all roadside responders.

In closing, TRAA would like to work cooperatively with the state legislature and the Towing and Recovery Professionals of Maryland (TRPM) for the betterment towers and the motoring public of Maryland. We are available to discuss our mutual concerns and assist in drafting a fair and reasonable version of this legislation.

Thank you for your time and consideration.

Sincerely,



Joanne Blyton  
President