

MEMORANDUM

TO: The Honorable William C. Smith, Jr., Chair and Members of the Judicial Proceedings Committee

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

DATE: February 24, 2022

RE: SB 613 Commercial Vehicles – Nonconsensual Towing - Requirements

POSITION: OPPOSE

The Towing Recovery Professionals of Maryland TRPM OPPOSE SB 613. 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 8-13) – 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 5-8) – 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 (Pgs. 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.