



Towing & Recovery Professionals of Maryland

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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, 1st Vice President, Towing & Recovery Professionals of Maryland

DATE: February 9, 2023

RE: **HB 262 Abandoned Vehicles – Secured Parties – Electronic Notification**

POSITION: **SUPPORT**

The Towing Recovery Professionals of Maryland (TRPM) SUPPORT HB 262. This bill would allow a police department to notify the secured parties/lien holders of an abandoned vehicle electronically if the electronic notification is agreed to by the police department, tower and secured party.

The Committee may remember a similar bill last year to allow a tower to notify a secured party/lien holder electronically when a vehicle is towed from a parking lot if agreed to by the parties. This has significantly streamlined the process for those entities using it and allows matters to be resolved more quickly when a vehicle is not claimed.

HB 262 is establishing this same process for a police department tow of an abandoned vehicle. Currently, a police department, or a towing company if authorized to do so by the police department, is required to notify the owner, any secured party, and the insurer of record by certified mail, return receipt requested, and first-class mail within 7 days. This process is followed to provide proper notification to all parties to reclaim the vehicle. Should the owner/secured party/insurance company not claim the vehicle, the owner/secured party/insurance company is then agreeing to relinquish any rights to the vehicle which would allow the towing company to seek a CS-78 from a law enforcement agency to transfer the vehicle to a licensed automotive & dismantler recycler. HB 262 streamlines this notification process just for the secured party/lien holders to resolve these matters more quickly.

Most transactions these days can be managed electronically, from the purchasing of a home, securing a loan, and submitting applications. Providing for electronic notification of secured parties, saves money on behalf of the police department and tower, and will resolve matters concerning abandoned vehicles more quickly should a vehicle not be claimed.

TRPM has discussed this legislation with the Maryland Bankers Association (MBA), Maryland Chiefs of Police Association (MCPA), and Maryland Sheriffs' Association (MSA). MBA agrees with the language in the bill and is monitoring it. MCPA and MSA both support the legislation as it streamlines the notification process and allows them to dispose of abandoned vehicles more quickly.

For these reasons, TRPM SUPPORTS HB 262 and urges a FAVORABLE Committee report.