

Testimony to the Senate Judicial Proceedings Committee SB599: Motor Vehicle Administration - Fines and Fees - Required Notice Position: Favorable

March 2, 2023

The Honorable Senator Smith, Chair Senate Judicial Proceedings Committee Second Floor, Miller Senate Office Building Annapolis, Maryland 21401 cc: Members, Senate Judicial Proceedings

Honorable Chair Smith and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

We are writing in support of SB599.

Discovering that your car has been towed is a terrible surprise. For many Marylanders, the consequences of a towed vehicle can be extremely devastating. A towed vehicle may mean the permanent loss of a person's only source of reliable transportation to work, the loss of which could result in unemployment and loss of access to education and health care.

While a towed vehicle can catch anyone off guard, the fees charged for towing and storage are not the same across the state. Maryland nominally sets the fee at \$250 per trespass tow, it allows counties to set their rate at a higher amount. The maximum towing fee allowed for a vehicle is over \$300 in Baltimore City and Anne Arundel County which is more than double the fee in Washington, D.C., and most other jurisdictions.¹

The loss of a vehicle, even temporarily, combined with the high fees associated with a towed vehicle's release can further exacerbate existing racial disparities in car ownership, transportation equity, and economic opportunity.

Maryland is one of many states that have inadequate protections, or the laws on the books are vague and inaccessible to the average consumer.² SB599 helps correct this lack of protection by setting clear and reasonable maximum rates for involuntary tows and maximum rates for daily storage.

For these reasons we support SB599 and urge a favorable report.

Best,	
Isadora Stern Policy Manager	

¹https://baltimorebrew.com/2022/10/04/with-towing-reform-shot-down-by-the-city-council-high-fees-and-aggress ive-practices-will-continue-in-baltimore/

²https://pirg.org/maryland/media-center/report-getting-off-the-hook-of-a-predatory-tow-in-maryland/#:~:text=In %20the%20case%20of%20an%20involuntary%20tow%2C%20towing%20companies%20can,law%20enforcement% 20of%20the%20towing.